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APRIL 1973

FATS AND OILS Situation

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Table 1.--U.S. Fats and Oils Situation at a Glance

Item	Unit	Marketing year total or average		1972				1973	
		1970-71	1971-72 preliminary	January	February	November	December	January	February
SOYBEANS (Year beg. Sept.)									
U.S. average price received by farmers	$ bu.	2.85	3.01	2.92	3.00	3.38	3.95	4.10	5.49
U.S. support price	$ bu.	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Price, No. 1 yellow, Illinois points	$ bu.	3.00	3.24	3.05	3.14	3.61	4.07	4.40	5.66
Price, No. 2 yellow, f.o.b., Gulf	$ bu.	3.19	3.45	3.26	3.35	3.76	4.37	4.79	6.43
Price, No. 2 yellow, f.o.b., Baltimore	$ bu.	3.21	3.46	3.27	3.36	3.77	4.39	4.93	6.40
Receipts at mills	Mil. bu.	769.0	716.3	52.9	69.1	90.5	75.5	89.8	61.7
Crushings	Mil. bu.	760.1	720.5	63.9	60.2	70.7	69.2	70.6	64.9
Oil yield per bushel crushed	Lb.	10.83	10.98	10.80	10.95	10.49	10.35	10.25	10.45
Meal yield per bushel crushed	Lb.	47.37	47.43	47.20	47.54	46.95	46.73	46.92	46.92
Stocks at mills, end of month	Mil. bu.	42.3	38.1	116.1	125.1	111.1	117.4	136.6	133.3
Exports	Mil. bu.	433.8	416.8	42.4	35.5	61.2	49.5	47.7	54.7
SOYBEAN OIL (Year beg. Oct.)									
Production	Mil. lb.	8,264.7	7,891.5	689.9	658.9.	742.4	716.6	723.5	678.0
Domestic disappearance	Mil. lb.	6,253.2	6,448.8	522.6	508.6	588.2	591.5	605.3	506.7
Exports	Mil. lb.	1,742.3	1,388.4	184.3	81.8	118.9	65.0	63.7	127.4
Stocks, end of month	Mil. lb.	772.6	785.2	782.8	847.1	839.1	896.5	948.6	990.0
Price, crude, Decatur	¢ lb.	12.8	11.3	10.9	11.0	9.6	9.7	10.1	13.0
SOYBEAN MEAL (Year beg. Oct.)									
Production	Thou. ton	18,035.2	17,024.2	1,507.1	1,430.8	1,660.7	1,617.5	1,656.0	1,522.6
Domestic disappearance	Thou. ton	13,405.6	13,110.2	1,102.0	1,063.8	1,193.2	1,131.4	1,096.9	1,007.5
Exports	Thou. ton	4,559.3	3,805.3	387.3	379.5	474.9	437.3	580.1	496.0
Stocks at mills, end of month	Thou. ton	145.8	191.7	153.9	135.5	170.7	217.9	193.3	212.4
Price, 44% protein, bulk, Decatur	$ ton	78.50	90.20	82.60	84.80	123.20	174.00	188.75	218.75
Price, 49-50% protein, bulk, Decatur	$ ton	84.30	98.20	89.40	91.50	133.00	195.00	210.40	240.00
COTTONSEED (Year beg. Aug.)									
U.S. average price received by farmers	$ ton	56.45	56.81	54.50	54.30	49.10	49.90	51.80	51.90
U.S. support price, basis grade	$ ton	37.00	1/	1/	1/	1/	1/	1/	1/
Receipts at mills	Thou. ton	3,865.9	3,977.2	446.1	155.9	917.7	926.2	302.4	239.0
Crushings	Thou. ton	3,728.5	3,959.9	474.3	424.7	529.4	499.1	527.9	480.6
Stocks at mills, end of month	Thou. ton	217.8	235.0	1,938.0	1,669.2	2,238.8	2,665.9	2,440.4	2,198.8
COTTONSEED OIL (Year beg. Aug.)									
Production	Mil. lb.	1,210.9	1,274.5	151.1	134.9	165.5	157.3	163.3	152.3
Domestic disappearance	Mil. lb.	898.6	815.3	76.8	49.6	75.8	99.3	76.8	83.4
Exports	Mil. lb.	357.4	421.2	23.1	47.4	70.6	32.2	58.2	56.8
Stocks, end of month	Mil. lb.	167.2	203.9	239.4	277.3	161.5	187.4	215.4	227.3
Price, crude, Valley	¢ lb.	14.7	13.2	12.8	12.2	10.3	10.6	11.0	13.9
COMMERCIAL LARD (Year beg. Oct.)									
Production	Mil. lb.	2,018.0	1,645.6	131.0	112.0	136.0	109.0	116.0	96.0
Domestic disappearance	Mil. lb.	1,619.0	1,459.2	134.0	100.4	90.7	110.8	96.4	96.7
Exports	Mil. lb.	329.4	170.8	18.6	18.0	31.7	4.4	18.5	4.9
Shipments to U.S. Territories	Mil. lb.	52.7	49.0	.3	5.7	.2	.1	.2	.5
Stocks, end of month	Mil. lb.	76.9	44.0	78.1	66.1	57.5	51.2	52.1	46.1
Price, loose, tanks, Chicago	¢ lb.	11.1	10.4	9.6	11.3	11.0	9.6	9.5	10.5
CREAMERY BUTTER (Year beg. Oct.)									
Production	Mil. lb.	1,148.2	1,128.6	101.5	99.4	73.2	81.0	96.1	84.4
Domestic disappearance	Mil. lb.	1,072.5	1,050.7	99.9	72.6	94.4	103.9	95.1	80.1
Stocks, end of month, total	Mil. lb.	222.0	178.2	81.8	93.1	132.4	107.4	108.7	111.9
Stocks, end of month, CCC	Mil. lb.	195.3	160.4	58.1	59.7	119.3	96.4	86.1	93.2
Price, 92-score, Chicago	¢ lb.	68.9	68.2	67.8	67.8	69.2	70.5	67.7	67.7
FLAXSEED (Year beg. July)									
U.S. average price received by farmers	$ bu.	2.40	2.37	2.41	2.42	2.81	3.13	3.51	4.15
U.S. support price, farm basis	$ bu.	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Price, No. 1, Minneapolis	$ bu.	2.66	2.70	2.70	2.74	3.14	3.41	3.90	4.53
Receipts at mills	Thou. bu.	19,596	20,328	1,087	1,778	1,247	1,108	1,825	2,097
Crushings	Thou. bu.	18,946	20,980	1,886	1,818	1,775	1,454	1,646	1,279
Exports	Thou. bu.	3,331	1,904	--	--	2,379	2,458	26	35
Stocks at mills, end of month	Thou. bu.	3,396	2,688	2,202	2,162	1,711	1,364	1,543	2,361
LINSEED OIL (Year beg. July)									
Production	Mil. lb.	381.8	426.0	38.2	36.5	35.0	28.2	31.3	25.1
Domestic disappearance	Mil. lb.	253.8	286.7	26.3	27.8	13.9	N.A.	37.8	N.A.
Exports	Mil. lb.	52.5	65.9	.1	2/	33.0	28.0	21.8	15.0
Stocks, end of month	Mil. lb.	203.8	276.6	236.7	245.3	246.3	253.6	225.3	238.7
Price, raw, Minneapolis	¢ lb.	9.7	8.9	8.8	8.8	9.5	9.5	9.5	9.5
INEDIBLE TALLOW & GREASE (Year beg. Oct.)									
Production	Mil. lb.	5,251.7	5,097.2	458.7	406.5	445.7	396.7	479.1	397.1
Domestic disappearance	Mil. lb.	2,627.7	2,729.8	221.7	229.5	222.5	204.5	232.6	205.6
Exports	Mil. lb.	2,589.9	2,448.5	204.8	196.1	228.4	162.1	244.7	180.7
Stocks, end of month	Mil. lb.	409.7	329.1	411.8	392.7	311.5	341.3	343.0	353.9
Price, bleachable fancy, Chicago	¢ lb.	8.1	6.8	6.2	6.0	7.7	7.4	7.8	9.0
COCONUT OIL (Calendar year's 1971 and 1972)									
Production	Mil. lb.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Imports	Mil. lb.	627.7	677.0	22.0	144.6	37.3	50.4	69.8	112.5
Domestic disappearance	Mil. lb.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Stocks, end of month	Mil. lb.	103.9	116.5	163.1	154.8	111.1	116.5	208.2	211.9
Price, crude, Pacific Coast	¢ lb.	13.6	9.8	10.6	9.9	9.2	9.6	9.9	13.1
PALM OIL (Calendar year's 1971 and 1972)									
Imports	Mil. lb.	216.9	431.1	42.2	37.6	12.2	20.6	25.6	65.7
Domestic disappearance	Mil. lb.	213.2	342.1	21.5	22.4	19.3	N.A.	15.2	60.3
Stocks, end of month	Mil. lb.	39.9	93.5	59.4	73.7	72.0	93.5	103.9	109.2
Price, Congo, tanks, New York	¢ lb.	13.3	10.6	11.8	11.8	9.8	9.8	9.8	9.8
PEANUTS (Year beg. Aug.)									
U.S. average price received by farmers	¢ lb.	12.8	13.6	---	---	14.5	14.6	15.2	---
U.S. support price - Farmers' stock basis	¢ lb.	12.75	13.42	13.42	13.42	14.25	14.25	14.25	14.25
Millings, all types, Farmers' stock basis	Mil. lb.	2,615.9	2,650.3	316.3	268.4	367.0	318.3	328.5	271.2
Production of shelled edibles	Mil. lb.	1,373.1	1,385.6	159.8	137.1	193.0	158.5	167.1	138.6
Total edible uses - shelled basis	Mil. lb.	1,065.3	1,087.1	89.5	88.3	94.7	80.7	92.5	86.8
Crushings - shelled basis	Mil. lb.	600.9	612.3	68.5	60.3	59.6	56.3	58.8	55.6
Commercial stocks, end of month - FS	Mil. lb.	453.2	391.8	1,844.7	1,615.9	2,377.4	2,193.6	2,012.5	1,766.7
CCC stocks, end of month - FS	Mil. lb.	---	---	375.0	177.0	637.9	555.1	438.7	322.6
PEANUT OIL (Year beg. Aug.)									
Production	Mil. lb.	253.6	260.0	28.5	25.4	24.6	23.4	24.5	23.4
Domestic disappearance	Mil. lb.	193.1	194.7	22.7	14.8	12.6	15.1	12.5	17.0
Exports	Mil. lb.	43.9	74.9	5.1	7.8	3.4	10.1	11.1	6.6
Stocks, end of month	Mil. lb.	41.8	32.1	17.0	19.7	23.0	21.1	22.1	21.9
Price, crude, Southeast mills	¢ lb.	17.1	17.0	16.1	15.4	17.4	19.1	18.6	18.8

1/ No support announced. N.A.--Not available. 2/ Less than 50,000 pounds.

In This Issue

Fats and Oils News Briefs 4
1973 Prospective Plantings 5
Soybeans, oil and meal 5
Cottonseed, oil and meal 9
Lard 11
Peanuts 11
Flaxseed 12
Inedible tallow 13
U.S. Foreign Trade in 1972 13
U.S. Food Fat Consumption in 1972 13

SPECIAL ARTICLE
U.S. Soybean Economy in the 1980's
(Page 16)

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SUMMARY

Increasing soybean production relative to demand may help ease the tight supply situation for the 1973/74 marketing season if farmers produce as much as indicated by their spring planting intentions.

They reported a record 53.8 million acres intended for soybeans—nearly 7 million above 1972 and the largest increase on record. If yields per acre are near trend, production would total 1½ billion bushels, about 17 percent more than in 1972. This would boost soybean supplies for 1973/74 some 200 million bushels over the 1,355 million for 1972/73.

A change March 26 in the feed grain program—which will free an estimated additional 13.5 million acres—could lift soybean plantings to over 54 million acres. The change reduces the required set-aside for full compliance from 25 to 10 percent of a producer's feed grain base.

Monthly average soybean prices (No. 1 yellow, Chicago) jumped from $3.33 per bushel last October to over $6 in March. Prices in early March hit $7 but retreated to $5.50 on March 29. The exceptionally strong demand for soybeans continues—the consequence of reduced foreign production of protein, particularly Peruvian fish meal, and the depleted stocks and increasing requirements for high-protein animal feeds. Use this season will approximate 1.3 billion bushels. This is the fourth consecutive year in which usage equals or exceeds production. Consequently, by September 1, carryover stocks are expected to be worked down to minimum levels—possibly to around 60 million bushels.

Processors are crushing soybeans at a record pace, running about a tenth above a year ago. Strong soybean meal demand and favorable processing margins, especially earlier in the season, have been stimulative factors. However, available supplies of soybeans probably will limit crushings for the entire season to around 750 million bushels compared with 721 million in 1971/72.

Exports also are at record levels, running a fourth above a year ago. U.S. soybeans and meal are supplying an exceptionally large part of the world's increasing requirements for high-protein feeds.

Declining U.S. soybean supplies may reduce movement during April-August to near year-ago levels. Exports for the season are expected to total around 475 million bushels compared with 417 million in 1971/72.

Domestic use of soybean oil is expected to total a record 6.7 billion pounds, some 4 percent above 1971/72. Exports may reach 1.5 billion pounds, up slightly from last year's 1.4 billion. This implies a sharp reduction in carryover next October 1—to around the 600-million pound level, about one month's requirements for domestic use.

Soybean oil prices (crude Decatur) after remaining stable at around 10 cents per pound in October-January, have moved up sharply, and on March 29 were 14 cents, about 2 cents above March 1972.

Approved by the Outlook and Situation Board
and Summary released March 30, 1973

Soybean meal prices (44 percent protein, Decatur) doubled since last fall, rising to $219 per ton in February. Prices peaked at $235 in early March, then dropped to $176 on March 29. However, this was still double the March 1972 level. Domestic use is expected to total about 13.3 million tons, a shade above last year. Exports are estimated at 4.4 million tons, up about 16 percent.

Cottonseed oil and meal supplies total 1.8 billion pounds and 2.5 million tons, respectively, both about a third above last season. However, lard supplies are down about 14 percent to 1.5 billion pounds.

Domestic disappearance of food fat products during October-January 1972/73 totaled nearly 3.9 billion pounds, about 4½ percent ahead of a year earlier. On a per capita basis, food fat disappearance was 18½ pounds (fat content basis) compared with 17.7 pounds the same 4 months of 1971/72. For the entire 1972/73 marketing year, U.S. per capita disappearance of food fats may total around a pound above the 1971/72 rate of 52½ pounds, and a new record high.

Fats and Oils News Briefs

BREEDING MATERIAL for SOYBEANS

USDA has released breeding material for five soybean populations, an initial step toward increasing genetic variability in soybeans.

Careful selection of parents and subsequent crossing procedures make the populations particularly useful. Populations are resistant to phytophthora root rot; they show greater response to applied phosphorous, and can be adapted so that plant height can be controlled.

SOYBEAN PRODUCTION UP 9 PERCENT

World soybean production in 1972 is now estimated at 47.7 million metric tons [1.745 billion bushels]. The increase in 1972 world soybean production over the previous year, at 4.1 million tons, was the largest since 1965 and more than twice the average for the 1967-71 period.

Among the three major producing countries, the United States and Brazil accounted for about 70 and 30 percent, respectively, of the net increase in world production; while 1972 soybean production in Mainland China is now believed to have declined by about 6 percent or 400,000 tons from the year-earlier volume.

ANOTHER SOURCE of PROTEIN

Protein from cottonseed will soon begin to reach dinner tables at home and perhaps abroad as a result of a newly developed process now ready for commercial use.

Besides making another edible protein source available domestically, the process could play a major role in increasing protein in underdeveloped countries that grow cotton.

This edible protein is called Liquid-Cyclone-Process, which will become available this year. The process indicates that each 100 tons of cottonseed should yield about 25,000 pounds of edible flour containing about 65-percent protein.

BRAZIL'S CASTORBEAN CROP

Importers of castor oil in recent months have been scrambling to locate scarce supplies of the product in the wake of revelations that Brazil's 1972 castorbean crop was well below expectations. This news from the world's biggest producer and exporter of castor oil has caused export prices to triple in only a few months, some users of the oil to switch to alternative products, and Brazilian farmers, encouraged by high returns, to boost their 1973 castorbean plantings.

FERTILIZER USE ON SOYBEAN ACREAGE HARVESTED FOR BEANS, SELECTED STATES, 1972

State	Rate per acre receiving[1]		
	N	P_2O_5	K_2O
		Pounds	
Ohio	11.9	37.8	47.0
Ind.	10.9	40.6	51.2
Ill.	11.9	47.4	63.1
Minn.	20.2	44.2	61.9
Iowa	11.3	35.7	34.7
Mo.	16.5	36.7	42.6
Nebr.	13.8	34.4	22.0
Kans.	44.3	46.3	30.5
N. C.	13.1	34.4	55.4
S. C.	17.9	45.8	77.1
Tenn.	15.0	44.0	46.0
Miss.	27.0	54.3	53.4
Ark.	13.9	41.7	48.4
La.	14.8	53.8	52.5

[1] The samples are relatively small in some States and the data are subject to sampling fluctuation.

From USDA

FATS AND OILS SITUATION

SITUATION AND OUTLOOK

Oilseed Acreage Expands Sharply

Based on the March 1 USDA survey of farmers' intentions, acreage planted to the 4 major U.S. oilseed crops in 1973 will total nearly 70 million acres, about 9% above 1972 (table 2).

Soybean producers intend to plant a record acreage for the 13th consecutive year—53.8 million acres, 14% more than in 1972 and the largest increase of record. In the 27 States that were previously surveyed in January, prospective acreage as of March 1 was up 9% from the January intentions. All major regions expected increases. Higher prices and changes in government programs were mainly responsible for the increase. Approximately 52.6 million acres of soybeans would be harvested if growers plant the intended acreage and harvest about the normal proportion for beans. If yields per acre are on trend, 1973 production would be a record 1½ billion bushels, compared with 1,283 million last year.

However, additional changes to the 1973 feed grain program may result in soybean plantings of over 54 million acres. In late March, USDA changed the required set-aside for full compliance from 25 to 10% of a producer's feed grain base. This action is expected to free up an additional 13½ million acres for production of grain and other crops, some of this acreage is expected to go into soybeans. The move was taken to prevent or alleviate a shortage in the supply of agricultural commodities.

Cotton growers intend to plant 13.1 million acres, about 7% below 1972. The 1973 national upland cotton base acreage is 10 million acres, down from 11½ million last year. Intended acreage this year is down in all regions. Average yields on this acreage would mean smaller cottonseed supplies in the 1973/74 marketing year.

Flaxseed farmers intend to increase their 1973 seedings 11% to 1.3 million acres. Increases are indicated for all the major producing States—North Dakota, 8%; South Dakota, 16%;, and Minnesota, 8%. The acreage indicated is about 14% above the January report. Higher flaxseed prices along with changes in government programs which made more acreage available for planting apparently caused growers to change their earlier plans. If intentions are realized and yields are on trend, the 1973 crop would total about 16 million bushels, about 14% above last year. However, the change in the feed grain program announced March 26 should result in further increases in flaxseed plantings and production.

Peanut growers intend to plant 1.5 million acres, approximately the same as a year ago. Peanuts are under acreage controls and the national allotment has been held at the legal minimum of 1.6 million acres each year since 1956. If peanut farmers follow their intentions, as they usually do, and yields are on trend, 1973 peanut production will be around 3.3 billion pounds or near last year.

Soybeans

Prices Highest Ever

Growing world demand for high-protein feedstuffs, cessation of Peruvian fishmeal production, and a weather-damaged 1972 U.S. soybean crop boosted monthly average soybean farm price from $3.13 per bushel last October to an alltime high of $6.05 in March. Prices are expected to continue strong and for the entire marketing year average about $4 per bushel (weighted by marketings) sharply above the $3 level of 1971/72.

Between now and harvest, prices will be heavily influenced by prospects for the 1973 crop. With intended planted acreage expected to be up 15% above last year, a large increase in production is anticipated. However, the lesson learned from last fall's unfavorable harvesting weather will not be easily forgotton by farmers or traders. More than ever, chances are this year that the crop will not be considered "made" until safely "stored in the bin." Another influential factor will be developments in the anchovy fishing industry this year off the coast of Peru.

Now No. 1 Cash Crop

In 1972 cash receipts from soybean marketings reached a record $4.1 billion, about 16% above 1971 and $0.8 billion above corn—now in the No. 2 slot. This marks the first time that soybeans exceeded corn in cash receipts. In 1971, the two tied for the No. 1

Table 2.--Oilseeds: Prospective plantings for 1973 (based on March intentions of farmers) with comparisons, 1950-73

Year	Soybeans				Cottonseed			
	Acreage		Production		Cotton acreage		Cottonseed production	
	Planted 1/	Harvested for beans	Per acre harvested	Total	Planted	Harvested	Per acre harvested	Total
	1,000 acres	1,000 acres	Bushels	Million bushels	1,000 acres	1,000 acres	Pounds	1,000 tons
1950	15,048	13,807	21.7	299.2	18,866	17,843	460	4,105
1951	15,176	13,615	20.8	283.8	29,353	26,949	467	6,302
1952	15,958	14,435	20.7	298.8	28,065	25,921	478	6,191
1953	16,394	14,829	18.2	269.2	26,872	24,341	554	6,749
1954	18,541	17,047	20.0	341.1	20,052	19,251	593	5,709
1955	19,674	18,620	20.1	373.7	17,991	16,928	714	6,043
1956	21,700	20,620	21.8	449.3	17,077	15,615	693	5,407
1957	21,938	20,857	23.2	483.4	14,310	13,558	680	4,609
1958	25,108	23,993	24.2	580.2	12,379	11,849	810	4,798
1959	23,349	22,631	23.5	532.9	15,833	15,117	793	5,991
1960	24,440	23,655	23.5	555.1	16,080	15,309	769	5,886
1961	27,787	27,003	25.1	678.6	16,588	15,634	765	5,978
1962	28,418	27,608	24.2	669.2	16,293	15,569	789	6,139
1963	29,462	28,615	24.4	699.2	14,843	14,212	871	6,192
1964	31,605	30,793	22.8	700.9	14,835	14,055	888	6,237
1965	35,227	34,449	24.5	845.6	14,152	13,615	894	6,087
1966	37,294	36,546	25.4	928.5	10,349	9,552	829	3,960
1967	40,819	39,805	24.5	976.4	9,448	7,997	803	3,210
1968	42,265	41,391	26.7	1,107.0	10,912	10,160	913	4,640
1969	42,534	41,337	27.4	1,133.1	11,882	11,055	736	4,068
1970	43,082	42,249	26.7	1,127.1	11,945	11,160	729	4,068
1971	43,472	42,701	27.5	1,176.0	12,355	11,471	740	4,244
1972 2/	47,003	45,755	28.0	1,282.9	14,000	13,186	842	5,557
1973 3/	53,801	52,600		1,500	13,081			

Year	Flaxseed				Peanuts				Total 4 oilseeds
	Acreage		Production		Acreage		Production		
	Planted	Harvested	Per acre harvested	Total	Planted 1/	Harvested for nuts	Per acre harvested	Total	Acreage planted
	1,000 acres	1,000 acres	Bushels	Million bushels	1,000 acres	1,000 acres	Pounds	Million pounds	Million acres
1950	4,274	4,090	9.8	40.2	2,633	2,262	900	2,035	40.8
1951	4,116	3,904	8.9	34.7	2,510	1,982	837	1,659	51.2
1952	3,445	3,304	9.1	30.2	1,838	1,443	940	1,356	49.3
1953	4,759	4,570	8.2	37.7	1,796	1,515	1,039	1,574	49.8
1954	5,947	5,663	7.3	41.3	1,824	1,387	727	1,008	46.4
1955	5,148	4,914	8.2	40.4	1,882	1,669	928	1,548	44.7
1956	5,786	5,473	8.6	47.0	1,834	1,384	1,161	1,607	46.4
1957	5,481	4,793	5.2	25.1	1,746	1,481	969	1,436	43.5
1958	3,862	3,679	10.2	37.4	1,702	1,516	1,197	1,814	43.1
1959	3,268	2,932	7.2	21.2	1,576	1,435	1,061	1,523	44.0
1960	3,437	3,342	9.1	30.4	1,526	1,395	1,232	1,718	45.5
1961	2,975	2,514	8.8	22.2	1,524	1,398	1,185	1,657	48.9
1962	3,102	2,808	11.5	32.2	1,507	1,400	1,228	1,719	49.3
1963	3,379	3,172	9.8	31.0	1,498	1,396	1,391	1,942	49.2
1964	2,965	2,825	8.6	24.4	1,487	1,397	1,502	2,099	50.9
1965	2,868	2,775	12.8	35.4	1,520	1,438	1,661	2,390	53.8
1966	2,679	2,576	9.1	23.4	1,490	1,421	1,700	2,416	51.8
1967	2,061	1,975	10.1	20.0	1,474	1,404	1,765	2,477	53.8
1968	2,177	2,092	12.9	27.0	1,496	1,438	1,770	2,547	56.8
1969	2,661	2,605	13.4	34.9	1,512	1,456	1,742	2,535	58.6
1970	2,963	2,848	10.4	29.5	1,515	1,467	2,031	2,979	59.5
1971	1,627	1,545	11.8	18.2	1,529	1,454	2,066	3,005	59.0
1972 2/	1,191	1,151	12.1	13.9	1,531	1,487	2,212	3,289	63.7
1973 3/	1,317			16	1,536			3,322	69.7

1/ Acreage grown alone for all purposes. 2/ Preliminary. 3/ Indicated March 1.

Table 3.--Soybeans: Acreage, production and price, by States and Areas, crop years, 1969-72

State and Area	Acreage harvested				Yield per acre harvested				Production				Price per bushel received by farmers Season average			
	1969	1970	1971	1972 1/	1969	1970	1971	1972 1/	1969	1970	1971	1972 1/	1969	1970	1971	1972 1/
	Thousand acres				Bushels				Million bushels				Dollars			
North Carolina	885	867	990	1,100	26.0	24.0	24.0	25.0	23.0	20.8	23.8	27.5	2.37	2.90	2.88	3.55
South Carolina	1,000	1,010	1,070	1,125	22.5	20.0	21.5	19.0	22.5	20.2	23.0	21.4	2.37	2.89	2.97	3.65
Georgia	400	475	600	670	25.5	23.0	25.5	15.0	10.2	10.9	15.3	10.0	2.44	2.95	2.86	3.55
Alabama	630	600	655	733	22.5	23.0	26.0	21.0	14.2	13.8	17.0	15.4	2.31	2.82	2.92	3.45
Total Southeast	2,915	2,952	3,315	3,628	24.1	22.5	24.2	20.0	69.9	65.7	79.1	74.3	2.37	2.89	2.91	3.55
Kentucky	450	530	705	924	28.0	27.0	29.5	27.0	12.6	14.3	20.8	24.9	2.32	2.85	2.96	3.50
Tennessee	1,125	1,150	1,219	1,298	24.0	23.0	26.0	22.0	27.0	26.4	31.7	28.6	2.31	2.79	2.88	3.35
Mississippi	2,535	2,580	2,632	2,464	20.0	24.0	23.0	20.0	50.7	58.0	56.6	49.3	2.39	2.92	3.04	3.55
Arkansas	4,400	4,400	4,300	4,050	21.0	22.5	21.5	20.0	92.4	99.0	92.4	81.0	2.41	2.88	3.00	3.50
Louisiana	1,608	1,688	1,644	1,667	20.5	24.0	24.0	23.0	33.0	40.5	39.5	38.3	2.36	2.87	3.03	3.40
Total South Central	10,118	10,348	10,500	10,403	22.7	24.1	24.8	22.4	215.7	238.2	241.0	222.1	2.36	2.86	2.98	3.46
Ohio	2,475	2,550	2,634	3,010	29.5	28.5	30.5	27.0	73.0	72.7	80.3	81.3	2.36	2.84	3.08	3.40
Indiana	3,311	3,278	3,377	3,688	32.0	31.0	33.0	29.5	106.0	101.6	111.4	108.8	2.29	2.85	2.97	3.40
Illinois	6,730	6,800	7,150	7,475	34.0	31.0	33.0	35.0	228.8	210.8	236.0	261.6	2.38	2.90	3.00	3.55
Iowa	5,450	5,680	5,500	6,050	32.5	32.5	32.5	36.0	177.1	184.6	178.8	217.8	2.36	2.82	3.07	3.55
Missouri	3,150	3,465	3,605	3,960	25.5	25.5	27.0	28.0	80.3	88.4	97.3	110.9	2.32	2.84	3.01	3.45
Minnesota	3,000	3,030	2,780	3,325	25.0	26.0	23.0	28.0	75.0	78.8	63.9	93.1	2.37	2.79	3.08	3.45
Total Eastern Corn Belt	24,116	24,803	25,046	27,508	29.8	29.0	29.8	30.6	740.2	736.9	767.7	873.5	2.35	2.84	3.04	3.47
North Dakota	200	181	208	190	17.0	15.0	14.0	20.5	3.4	2.7	2.9	3.9	2.28	2.72	2.87	3.40
South Dakota	243	247	232	253	24.0	17.5	21.0	29.0	5.8	4.3	4.9	7.3	2.26	2.72	3.04	3.40
Nebraska	766	812	609	746	32.5	22.0	25.0	33.0	24.9	17.9	15.2	24.6	2.24	2. 8	2.99	3.40
Kansas	852	930	871	875	23.0	15.0	20.5	28.0	19.6	14.0	17.9	24.5	2.22	2.74	2.99	3.40
Total Western Corn Belt	2,061	2,170	1,920	2,064	24.1	17.4	20.1	27.6	53.7	38.9	40.9	60.3	2.25	2.74	2.97	3.40
All others 2/	2,127	1,976	1,920	2,152	25.9	24.0	25.3	23.6	53.6	47.4	47.3	52.7	2.29	2.80	2.91	3.42
United States	41,337	42,249	42,701	45,755	27.4	26.7	27.5	28.0	1,133.1	1,127.1	1,176.0	1,282.9	2.35	2.85	3.01	3.49

1/ Preliminary. 2/ New York, New Jersey, Pennsylvania, Michigan, Wisconsin, Delaware, Maryland, Virginia, Florida, Oklahoma and Texas.

Table 4.--Soybeans: U.S. supply and disposition, 1953-73

Year beginning September	Supply								Disposition							
		Stocks, September 1							Domestic disappearance							
			Government 1/							Used for seed						
	Production	Trade 1/	Owned by CCC	Under loan	Reseal	Total	Total stocks	Total supply	Crushings	Total	Per acre planted 2/	Feed	Residual 3/	Total domestic use	Exports	Total disposition
	Million bushel										Bushel	Million bushel				
1953	269.2	18.7	2.2	1.5	---	3.7	22.4	291.6	217.8	22.9	1.24	1.4	1.3	243.4	40.1	283.5
1954	341.1	8.0	4/	.1	---	0.1	8.1	349.2	241.4	23.4	1.19	1.6	2.9	269.3	57.3	326.6
1955	373.7	13.2	8.2	1.2	---	9.4	22.6	396.3	281.9	25.8	1.19	1.6	-2.6	306.7	68.6	375.3
1956	449.3	20.9	4/	.1	---	.1	21.0	470.3	313.6	26.4	1.20	1.7	13.3	355.0	83.7	438.7
1957	483.4	24.2	6.2	1.2	---	7.4	31.6	515.0	350.9	29.5	1.17	1.5	1.9	383.8	88.4	472.2
1958	580.2	26.2	12.7	3.9	---	16.6	42.8	623.0	398.8	27.4	1.17	1.9	2.1	430.2	105.0	535.2
1959	532.9	29.0	44.6	5/	14.2	58.8	87.8	620.7	394.0	29.3	1.20	1.5	4.2	429.0	139.9	568.9
1960	555.1	36.9	14.7	.2	---	14.9	51.8	606.9	406.1	32.5	1.17	1.3	5.2	445.1	134.7	579.8
1961	678.6	27.1	---	---	---	---	27.1	705.7	431.4	33.3	1.17	1.3	12.0	478.0	149.4	627.4
1962	669.2	19.8	47.0	.4	11.1	58.5	78.3	747.5	472.8	34.6	1.17	1.1	12.5	521.0	180.5	701.5
1963	699.2	41.2	2.5	2.2	0.1	4.8	46.0	745.2	436.8	36.0	1.14	.9	17.0	490.7	187.2	677.9
1964	700.9	41.3	11.8	11.2	3.0	26.0	67.3	768.2	479.0	40.3	1.14	.9	6.1	526.3	212.2	738.5
1965	845.6	29.7	---	---	---	---	29.7	875.3	537.5	42.8	1.15	.9	7.9	589.2	250.6	839.8
1966	928.5	35.6	---	---	---	---	35.6	964.1	559.4	47.1	1.15	.9	5.0	612.4	261.6	874.0
1967	976.4	55.8	7.4	21.5	5.0	33.9	90.1	1,066.6	576.4	48.6	1.14	.9	7.8	633.7	266.6	900.3
1968	1,107.0	28.4	29.4	67.0	41.5	137.9	166.3	1,273.3	605.9	47.3	1.13	.9	5.6	659.7	286.8	946.5
1969	1,133.1	15	171.4	6/61.9	103.5	336.8	326.8	1,460.0	737.3	48.5	1.14	.9	10.9	797.6	432.6	1,230.2
1970	1,127.1	32.9	150.2	5.1	41.6	196.9	229.8	1,356.9	760.1	48.3	1.12	1.0	14.9	824.3	433.8	1,258.1
1971	1,176.0	87.4	2.5	3.0	5.9	11.4	98.8	1,274.8	720.5	51.1	1.10	1.0	13.4	786.0	416.8	1,202.8
1972 7/	1,282.9	72.0	---	---	---	---	72.0	1,354.9	750	[	-- 70 --		]	820	475	1,295
1973 8/		60														

1/ Estimates. 2/ In the following year. 3/ Mostly statistical discrepancies. 4/ Less than 50,000 bushels. 5/ Small quantities included with reseal. 6/ Some of these soybeans probably had been redeemed prior to September 1. 7/ Preliminary. Disposition is forecast. 8/ Forecast.

spot. Projections for 1973 indicate that soybeans will continue to forge ahead.

These comparisons are based solely on cash receipts from sales. They do not take into consideration the substantial amount of government payments on corn, wheat, and cotton. Furthermore, the comparison includes only that volume of the corn crop which is sold—about 55%—and ignores the balance which is used on farms where grown.

1972 Crop Revised Upward

Soybean supplies for the current marketing year total 1,355 million bushels, about 6% above last season. The special post-harvest survey, conducted by the Department in late February and released on March 15, raised the 1972 soybean crop from 1,276 million bushels to a record 1,283 million. This is about 9% above the 1971 crop, but still does not relieve the tight situation for soybeans.

With world demand for soybean meal exceptionally strong, soybean use this season is estimated at 1.3 billion bushels, about 8% above last season and a new record. As in the past 3 years, total usage may slightly exceed production, resulting in another drawdown in carryover next September 1 to somewhere near 60 million bushels. This is only about a half month's supply in September and would afford no protection in the event of a delay in availability of new-crop soybeans. Use would be even greater this season if we had the soybeans.

Because of the high prices, price support loan activity this season is down. Through February, farmers placed 89 million bushels of soybeans under loan, compared with 167 million for the same period a year ago. So far they have redeemed 38 million bushels, leaving 51 million still under loan. Price support loans are available on 1972-crop soybeans at a national average rate of $2.25 per bushel (No. 1 grade, 12.8-13.0% moisture), unchanged from the past 3 years. Farm and warehouse loans and CCC purchases are available through May 31, 1973. No CCC acquisitions are anticipated this season. Neither will there be a reseal program. Currently CCC does not own any soybeans.

Crushings Strong; Margins Up

Soybean crushings for the 1972/73 marketing year are estimated at 750 million bushels, about 4% above the previous year. Through February, they totaled 394 million bushels, up about 9%. Processors are crushing at a record pace so far, eclipsing the record rate of 1970/71. Strong soybean meal demand and favorable processing margins are factors behind the strong crush.

The rate of crush over the balance of the marketing year is expected to slow, as dwindling supplies, high soybean prices, and declining margins become increasingly restrictive factors. March-August crushings may not differ much from the 359 million bushels processed during that same period last year.

Product yields from soybeans processed are off slightly. So far this season, the yield of oil per bushel of soybeans is averaging 10.5 pounds, compared with 10.8 pounds a year ago. Soybean meal, at 47.0 pounds, compares with 47.4 pounds. Because of the wet weather last fall, many farmers were forced to harvest their crops under extremely unfavorable conditions, resulting in soybeans with a high moisture content. Furthermore, short fuel supplies are handicapping drying operations. These factors mainly account for the lower outturn.

Processing margins this season are running at record levels—averaging 61 cents per bushel (as measured by spot prices for soybeans, oil, and meal at Decatur). This exceeds the record 54 cents of 1946/47. They increased from 21 cents per bushel last September to $1.07 in January. However, they turned down in February, averaging 83 cents. During last September-February they averaged 12 cents per bushel.

Exports Surge

Soybean exports during 1972/73 are estimated at 475 million bushels, 14% above the previous year and about 40 million above the previous record set in 1970/71. Exports through March were about a fourth above a year ago. The strong movement is due to the high requirements for protein concentrates, resulting from expanding world livestock and poultry production and reduced fish meal supplies from Peru. In addition, the large increase in the price of soybeans and products has been partially offset by the recent devaluation of the dollar. However, tight supplies are a limiting factor. Consequently, exports over the balance of the marketing year will slow and probably move at a rate closer to the 150 million bushels exported last April-August.

Exports are up to Western Europe and Japan. Also, over half of the approximately 40 million bushels purchased by the USSR last summer has been exported.

SOYBEAN OIL

Domestic Use Up Sharply

Soybean oil supplies this marketing year are estimated at 8.8 billion pounds, a little above the previous year. Larger production is expected to account for the increase as starting stocks were not much changed from a year earlier.

Domestic use this season is strong. During October-January it totaled 2.4 billion pounds, 14% above the same period a year ago. This is an average monthly rate of 600 million pounds—a record level. Price is probably the most important factor in the strong use pattern this year. Soybean oil prices this season have been a bargain until recently, averaging below both lard and cottonseed oil. Also, per capita use of food fats and oils appears to be increasing.

However, cottonseed oil supplies are up nearly a third. Also, imports of coconut oil are up sharply and palm oil imports are at year-ago levels. These factors will tend to cause soybean oil use to taper off from the recent fast pace. For the entire season it probably will total a record 6.7 billion pounds, some 4% above last season.

Favorable Export Prospects

Soybean oil exports so far this season are trailing year-ago levels. During October-February they totaled 451 million pounds, down about 162 million. However, overseas demand appears to be strong and volume is expected to pick up.

There are prospects for larger shipments to countries such as Pakistan and Yugoslavia, and purchases of U.S. soybean oil by the People's Republic of China could be substantial. For the entire season, exports may total about 1.5 billion pounds, around 8% above the previous year. As in past years, a sizable volume is expected to be shipped under P.L. 480. However, uncertainties regarding the import requirements for Pakistan, India, and Bangladesh still cloud this sector.

If the strong demand materializes, carryover stocks of soybean oil next October 1 will be down sharply—in the vicinity of 600 million pounds. This could be considered a rather tight situation, approximately equal to one month's requirements for domestic use. With carryover stocks of soybeans also expected to be minimal next September 1, total soybean oil stocks (crude and refined plus oil equivalent of 60 million bushels of soybeans) next fall will be down substantially from last autumn.

Prices Jump

Soybean oil prices (crude, Decatur) were stable during October-January at around 10 cents per pound. Starting in early February they moved up sharply, averaging 13 cents for the month. For March they averaged 14 cents. So far this season the average is 11 cents, compared with 12 cents a year ago. However, last season prices were coming off a high plateau. Prices are expected to continue strong, reflecting good demand for food fats and oils and tightening soybean oil supplies.

SOYBEAN MEAL

Prices Higher

Soybean meal prices (44% protein, bulk, Decatur) doubled in the 6 months from October through March, increasing from $109 to over $200 per ton. During this period they averaged $170, in sharp contrast to the $80 level of a year earlier. Depleted stocks and growing world demand for high-protein animal feeds have resulted in unprecedented demand for U.S. soybean meal—apparently the only large high-protein supply available in the world.

Factors contributing to this strong demand include virtual cessation of fish meal production in Peru, brought about by failure of the anchovy fish catch last year and subsequent banning of all fishing until this March. The purchase of nearly 40 million bushels of U.S. soybeans by the Soviet Union last summer spotlighted the precarious position of world high-protein supplies. Weather damage to the 1972 U.S. soybean crop and transportation and fuel problems further aggravated the situation.

Soybean meal prices will remain high until there is good evidence of additional supplies of high-protein feed. On March 5, anchovy fishing operations resumed off the coast of Peru and some softening in prices has occurred. Also, the larger soybean acreage now in prospect this year is a major factor influencing prices.

Soybean meal supplies this marketing year are estimated at 17.8 million tons, about 4% above the previous year.

Domestic use is expected to total about 13.3 million tons, compared with 13.1 million in 1971/72. During October-February it totaled 5.7 million tons, up about 4%. Because of tight supplies, use over the rest of the marketing year is expected to fall from the first half of the marketing year.

Soybean meal exports may total about 4.4 million tons, compared with 3.8 million in 1971/72. Movement through February has been strong—totaling 2.3 million tons, up about a third. Because of the limited supplies, exports over the balance of the season also are expected to drop from earlier in the season. As in past years, around three-fourths of these exports are going to Western Europe.

COTTONSEED

Crushings Up A Fifth

Cottonseed crushings so far this season total 2.9 million tons, nearly a fifth above a year ago. The 1972 crop is roughly a third above the previous year and accounts for the larger crushings. For the entire season, crushings probably will total about 5.3 million tons, compared with 4.0 million last season. This size crush is expected to produce around 1.6 billion pounds of cottonseed oil and 2.4 million tons of cottonseed meal.

Cottonseed prices to farmers increased from $44 per ton last September to $54 in March. However, they are well below year-ago levels. The larger crop of somewhat poorer grade partly accounts for the lower price level. Through February cottonseed oil mills

Table 5 .--Food fats and oils: Supply, disposition, and per capita disappearance, 1963-72

Item	Year beginning October									
	1963	1964	1965	1966	1967	1968	1969	1970	1971 1/	1972 2/
	-- Million pounds --									
Stocks, October 1										
Butter	3/450	3/188	161	68	212	197	155	171	222	178
Lard	81	68	62	64	107	94	56	60	77	44
Tallow, edible	34	25	22	40	70	39	26	37	63	36
Corn oil	63	62	35	55	47	41	71	60	58	70
Cottonseed oil	488	433	236	202	207	99	377	121	94	114
Soybean oil	920	578	297	462	596	540	415	543	773	785
Palm oil	4/37	4/22	10	17	13	28	28	20	36	93
Peanut oil	30	8	18	34	31	14	17	12	24	18
Safflower oil	80	24	35	50	60	76	61	29	29	39
Sub-total	2,183	1,407	876	992	1,343	1,128	1,206	1,054	1,376	1,378
Finished products 5/	347	232	197	224	256	231	217	236	236	254
Total food fats and oils	2,530	1,640	1,073	1,216	1,599	1,359	1,423	1,290	1,612	1,632
Imports										
Butter	2	1	4	2	2	2	2	2	2	2
Tallow, edible	1	1	1	1	2	6/	6/	6/	6/	1
Olive oil	66	47	47	55	60	58	63	67	67	65
Corn oil	3	---	10	2	9	8	3	1	---	---
Cottonseed oil	---	---	---	17	13	6/	6/	6/	---	6/
Palm oil	8	5	41	89	72	161	122	207	440	440
Peanut oil	---	---	6/	---	6/	6/	6/	6/	6/	6/
Sesame oil	1	1	2	1	1	2	2	2	2	2
Total	81	55	104	167	159	231	191	279	511	510
Production										
Butter	1,454	1,412	1,120	1,235	1,185	1,139	1,129	1,148	1,129	1,050
Lard	2,475	2,205	1,900	2,066	2,067	1,969	1,833	2,044	1,667	1,450
Tallow, edible	572	528	551	597	540	520	566	550	523	550
Oleo oil & stearine 7/	6	7	12	14	6	6	11	4	5	7
Corn oil	413	435	449	446	442	467	474	485	499	525
Cottonseed oil	1,936	1,999	1,830	1,223	1,020	1,450	1,251	1,235	1,308	1,650
Soybean oil	4,822	5,146	5,800	6,076	6,032	6,531	7,904	8,265	7,892	8,000
Peanut oil	114	144	163	175	198	199	180	266	265	265
Safflower oil (estimate)	104	111	138	170	139	100	100	120	140	140
Sub-total	11,896	11,987	11,963	12,001	11,629	12,381	13,448	14,117	13,428	13,637
Oilseeds (oil equivalent of exports)	2,115	2,361	2,940	3,050	3,078	3,210	5,007	4,857	4,607	5,405
Total Supply	16,622	16,043	16,080	16,435	16,465	17,181	20,069	20,543	20,158	21,184
Exports and Shipments										
Butter	8/319	150	24	7	31	37	8	27	124	10
Lard	706	431	218	247	246	282	405	382	220	150
Tallow, edible	4	5	3	5	6	8	11	6	5	15
Oleo oil & stearine	6	7	12	14	6	6	11	4	5	7
Corn oil	---	---	---	18	25	29	34	43	49	50
Cottonseed oil	8/584	641	275	78	51	141	453	373	453	625
Palm oil (re-exports estimate)	---	---	---	---	---	---	5	5	27	35
Peanut oil	67	75	14	6	4	28	34	60	71	65
Processed food oils 9/	111	79	64	76	59	61	63	67	43	65
Safflower oil (estimate)	---	---	---	---	---	---	25	20	40	40
Soybean oil	/1,106	1,357	948	1,105	993	899	1,449	1,782	1,430	1.500
Sub-total	2,903	2,744	1,558	1,557	1,427	1,490	2,498	2,769	2,467	2,562
Oilseeds (oil equivalent)										
Cottonseed	3	3	3	2	1	1	9	12	1	5
Soybeans	2,103	2,265	2,764	2,930	2,972	3,148	4,941	4,764	4,429	5,225
Peanuts (for crushing abroad)	9	29	43	47	28	9	12	58	122	125
Safflower	---	64	130	71	77	52	45	23	55	50
Sub-total	2,115	2,361	2,940	3,050	3,078	3,210	5,007	4,857	4,607	5,405
Total exports	5,018	5,104	4,498	4,608	4,505	4,700	7,505	7,626	7,074	7,967
Domestic disappearance										
Butter	1,399	1,291	1,193	1,088	1,172	1,146	1,106	1,075	1,051	1,050
Lard	1,786	1,780	1,676	1,781	1,834	1,726	1,425	1,645	1,480	1,300
Tallow, edible	578	527	530	563	567	526	544	518	546	540
Corn oil	416	462	439	438	432	416	454	445	439	465
Cottonseed oil	1,407	1,555	1,590	1,157	1,090	1,031	1,052	890	834	1,000
Soybean oil	4,058	4,069	4,687	4,837	5,096	5,756	6,328	6,253	6,449	6,700
Olive oil	66	47	47	55	60	58	63	67	67	65
Palm oil	23	17	34	93	57	161	125	186	355	375
Peanut oil	69	59	133	172	211	168	151	193	200	200
Safflower oil (estimate)	160	100	123	159	124	115	107	100	90	100
Sesame oil	1	1	2	1	1	2	2	2	2	2
Processed food oils 9/	-111	-79	-64	-76	-59	-61	-63	-67	-43	-65
Total	9,852	9,829	10,390	10,268	10,585	11,044	11,294	11,306	11,471	11,732
Total (calculated net) 10/	9,967	9,864	10,363	10,236	10,610	11,058	11,275	11,306	11,453	
Total use for food 11/	9,605	9,298	10,044	10,030	10,316	10,590	10,988	11,057	11,156	11,500
	-- Pounds --									
Per capita disappearance										
Butter (fat content)	5.9	5.4	4.9	4.4	4.7	4.6	4.4	4.2	4.1	
Margarine (fat content)	7.6	7.9	8.3	8.6	8.5	8.5	8.7	8.7	8.9	
Lard (direct use)	6.4	6.2	5.7	5.4	5.4	5.2	4.5	4.6	3.7	
Baking and frying fats	14.0	13.7	16.0	15.7	16.1	16.7	17.6	17.0	16.6	
Salad and cooking oils	12.0	12.3	13.0	12.8	13.2	14.0	15.0	15.6	16.9	
Other edible uses	2.9	1.4	2.2	2.5	2.4	2.3	2.6	2.3	2.4	
Total (fat content)	48.8	46.7	50.1	49.5	50.4	51.3	52.8	52.5	52.5	53-54

1/ Preliminary. 2/ Forecast except October 1 stocks. 3/ Includes estimates of butter oil, ghee, and canned butter. 4/ Includes stocks held by GSA. 5/ Shortening, margarine (fat content), and salad and cooking oils. 6/ Less than 500,000 pounds. 7/ Represents exports only; production data are not available. 8/ Includes estimates of foreign donations of fats and oils, not reported by Census. 9/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 10/ Adjusted to reflect changes in stocks of finished products. 11/ Excludes food fats and oils used for non-food purposes, but includes non-food oils (coconut and palm kernel) used in food.

had received 87% of the 1972 crop, compared with 92% a year ago. Stocks of seed at oil mills on March 1 were 2.2 million tons, about a third above a year ago.

COTTONSEED OIL

Prices Are Rising

Cottonseed oil supplies total about 1.8 billion pounds, around 30% above last season and the largest volume since 1965. Domestic use is expected to approximate 1.0 billion pounds, a significant increase over last year's record low of 0.8 billion pounds. Disappearance so far is up nearly a fifth, with all major categories sharing the increase. Larger supplies and lower prices account for the increased usage. Cottonseed oil is used in cooking and salad oils, shortening, and margarine.

Exports are expected to approach 650 million pounds, compared with 422 million in 1971/72. So far about 300 million pounds have been exported, up around 100 million. Most of the exports are going to Western Europe and Egypt, the major markets for U.S. cottonseed oil for commercial dollar sales.

Cottonseed oil prices (crude, Valley) averaged about 10½ cents per pound in August-January, well below the 14½ cents level of the comparable period a year earlier. However, beginning early in February they increased sharply, averaging about 14 cents for February and March. The recent increase reflects a generally firmer price structure for all major food fats, stemming in part from anticipation of a more favorable export climate for vegetable oils.

COTTONSEED MEAL

Prices At Record Levels

Cottonseed meal prices (41% protein, expeller, Memphis) rose from $87 per ton last August to a record $169 in February. Subsequently they have declined and in late March were about $110 per ton. The high level reflects the world wide shortage of high-protein feeds.

Cottonseed meal supplies this season total about 2.5 million tons compared with 1.9 million the previous year. With demand strong, total use is estimated at 2.4 million tons, or roughly this season's entire output. Most of this will be used domestically. Cottonseed meal stocks at oil mills on March 1 totaled 70,300 tons, about 35% below a year ago.

LARD

Production Still Declining

Lard production this marketing year is expected to total about 1.4 billion pounds, about 13% below the previous year. The smaller output will stem primarily from reduced lard yields per hog and slightly fewer hogs slaughtered. During October-February lard production was about a fifth below the 0.7 billion pounds of a year ago. Hog slaughter was down 9% but lard yield was down 11%. An upturn in the hog cycle, now underway, is expected to result in larger slaughter during the latter part of the current marketing year and should help ease somewhat the steep decline in lard production.

Domestic use of lard is expected to total about 1.3 billion pounds, down from the 1.5 billion of the previous year. So far, usage is down about a fifth. With total supplies much smaller this season, use probably will be down in all major categories—in shortening and margarine as well as in direct use.

Lard exports also are expected to be down, due not only to the smaller supplies but also because the major market for U.S. lard—the United Kingdom—joined the European Community in January 1973. Last season, exports totaled 171 million pounds. Exports for this season may drop to somewhere near the 100-million pound level. During October-February, they totaled 72 million pounds, about a fifth below the comparable period a year ago.

However, movement for the balance of the marketing year is expected to show a significant decline. Last January 11, the Department of Agriculture terminated its lard export payment program, which provided for a 1 cent per pound payment rate on all lard exported to the U.K. On February 1, lard exports to the U.K. from other EC members began moving under subsidy. Also, the U.K. began imposing a levy on all lard imported from non-EC sources. These actions tend to shut out U.S. lard from the U.K. market.

Lard prices (tanks, loose, Chicago) rose from around 10 cents per pound last January to about 12 cents in February. They strengthened further in March, averaging about 14 cents. The strong upsurge reflects the smaller supplies and heavy domestic use of food fats and oils. Prices are expected to continue strong.

PEANUTS

Edible Use Up

Peanut supplies this marketing year total 3.7 billion pounds (farmers' stock basis), compared with 3.5 billion last season. This large supply is due to the record 1972 peanut crop, which totaled 3.3 billion pounds and is well in excess of food and farm use requirements. Approximately two-fifths of this output has been acquired by the CCC under the price support program. Prices received by farmers this season have averaged about 14½ cents per pound, about 1 cent above 1971/72. The support price this year is 14.2 cents per pound.

Use of peanuts for edible purposes is up about 2½ over a year ago, about in line with the long-term average growth rate. Total use for the season likely will be near 1.7 billion pounds, up slightly from last season. This is about 8 pounds per person. Population growth and income are major determinants which influence peanut consumption.

Crushings so far this season are down about 5%. For the season they probably will total about 800 million pounds, or near last year's level. This volume represents about a fourth of total production. A decade ago, less than a fifth of the crop was crushed.

So far exports are near year-ago levels. For the season they are expected to be near the 550-million pound level of 1971/72. They vary widely, however, from year to year. Last season's record volume represented about 18% of the 1971 production.

FLAXSEED

Prices Highest Since Early 1950's

Flaxseed prices received by farmers advanced from $2.49 per bushel last July to $4.38 in March, averaging $3.16 for the period. This was well above the $2.35 a year ago and the 1972 support price of $2.50. March prices were highest since March 1951, when prices were high as a result of the Korean War. A tightening supply situation, both in this country and abroad, is responsible. Even with prospects for larger 1973 flaxseed acreage, prices are expected to continue strong and for the season will average well above the $2.37 of the previous marketing year.

Flaxseed supplies for the year ending June 30 total 34 million bushels, about 11 million below last season. The 1972 production of 14 million bushels was the smallest in over 3 decades. However, starting stocks were large, totaling 20 million bushels.

Crushings so far this season total 13.6 million bushels, about equal to those of a year ago. For the entire year they probably will total 20 million bushels, about 1 million below 1971/72. Dwindling supplies and larger exports are factors which will limit crushings. For all practical purposes, the CCC has sold its stocks of flaxseed. Under the various programs approximately 35 million bushels of government-owned flaxseed were sold. CCC acquired around 307 million pounds of linseed oil through the programs.

Flaxseed exports are estimated at 10 million bushels, compared with only 2 million the previous year. So far, about 9 million bushels have been exported. The rest is expected to be exported this spring now that ports on the Great Lakes are open. The increased export movement is attributable to shorter world supplies.

Based on the above prospects, the carryover into the new marketing year next July 1 will be around 3 million bushels, down sharply from the 20 million of last July. All of this is expected to be in commercial hands. With prices averaging well above support, loan activity this season is light. Through February, only about one-half million bushels of flaxseed had been placed under loan, compared with around 6½ million a year ago. Most of this is expected to be redeemed.

LINSEED OIL

Large Exports Reduce Stocks

Linseed oil production for the year ending June 30 is estimated at 400 million pounds, about 6% below the previous year. Output during July-February totaled nearly 270 million pounds, not much changed from a year ago. Production is expected to fall during the balance of the marketing year as the crush tails off.

Domestic use this season is expected to total about 280 million pounds, just a shade below the 287 million of a year ago. So far, factory consumption is up a little. Although linseed oil prices are higher this season, they still are competitive with other oils for use in drying oil products, and this should help keep usage up.

Linseed oil exports may total 300 million pounds, compared with 66 million in 1971/72. Through February they totaled 183 million compared with only 25 million a year ago. Vanishing world supplies of flaxseed and linseed oil plus sale of CCC-owned linseed oil for overseas shipment are major factors behind the large export movement.

The CCC holds no linseed oil—the first time in nearly 9 years. The last sale was made in February 1973. Between 1964 and 1971, CCC acquired under 3 different programs about 387 million pounds of linseed oil. In 1964, 80 million pounds were acquired under a program in which CCC sold its flaxseed stocks to crushers and repurchased the resultant oil. Six years later, another 121 million pounds were acquired from crushers under a program for exchanging CCC flaxseed and flaxseed products. In 1971, an additional 186 million pounds were acquired under a toll crushing arrangement.

About 308 million pounds of this oil were sold for export in 1971 and 1972. The export program ended on January 15, 1973, when the export price had increased to the domestic level. The remaining 79 million pounds were sold since mid-January for unrestricted use at rising prices which reflected increasing market demand. The average price for the entire volume sold was about 8 cents per pound.

As a result of the good demand and liquidation of CCC-owned oil, carryover stocks next July 1 are expected to be around 100 million pounds, down sharply from the 277 million of last July and the smallest in over a decade.

So far this season, linseed oil prices (raw, tanks, Minneapolis) are averaging around 9½ cents per pound, nearly 1 cent above a year earlier. Current prices are around 12 cents per pound. Prices are expected to continue strong, reflecting the tight world supply situation for flaxseed and linseed oil.

Linseed meal prices (34% solvent, bulk, Minneapolis) during July-March averaged $116 per ton, compared with $66 a year ago. The strong demand and tight supplies for high-protein feeds account for the high price. Domestic use likely will be about 175,000 tons, down from the 271,300 last season. Exports may total around 200,000 tons compared with 117,000 previously.

INEDIBLE TALLOW

Prices Rebound Sharply

Inedible tallow and grease production during 1972/73 may approach 5.2 billion pounds, a little above the 5.1 billion of last season. During October-January it totaled 1.7 billion pounds, virtually the same as a year earlier. Larger cattle slaughter is expected to account for the slight increase.

Domestic use also may increase a little, and approach the 2.8-billion pound level. During October-January it totaled 900 million pounds, up about 5%. Over the past several years domestic use has been running at record levels of around 2.7 billion pounds. Increasing use in animal feeds and fatty acids accounts for the gains.

Exports may not quite match the 2.5 billion pounds of last season. During October-February they totaled 992 million pounds, down 6% from a year ago. Volume is down in Asia and Eastern Europe. Higher prices this season probably are responsible. As in past years, practically all of the volume is moving under commercial sales, as activity under P.L. 480 programs has been nil.

Tallow prices (bleachable, fancy, Chicago) so far this season are averaging 8 cents per pound, nearly 2 cents above a year ago. Prices declined from a little under 8 cents last October to about 7½ cents in December. Subsequently they jumped to 9 cents in February. March prices were around 11 cents per pound. The stronger price trend partially reflects the favorable domestic usage and the limited expansion in production. Also, the rise is probably in sympathy with the general overall increase in prices for most fats and oils. Prices are expected to continue strong. Stocks of inedible tallow February 1 totaled 341 million pounds, about 17% below a year ago.

U.S. FOREIGN TRADE

During calendar 1972, U.S. exports of fats and oils (including oil equivalent of oilseeds) decreased 2% to 10.7 billion pounds. Imports were a record at 1.8 billion pounds, about a fifth above the previous year. This gave the United States a favorable net trade balance of 8.9 billion pounds, but below the record 9.4 billion pounds of 1971.

Smaller exports of soybean oil, lard, and inedible tallow and greases mainly accounted for the decline and offset increases in soybeans, flaxseed, and linseed oil. Larger imports of copra, coconut oil, and palm oil were mainly responsible for the gain in imports. Each year since 1949 the United States has exported more fats and oils than we imported.

U.S. exports of oilseed meal (including meal equivalent of oilseeds) in 1972 totaled a record 14.7 million tons, unchanged from 1971. About two-thirds of this volume was in the form of soybeans and about one-fourth was soybean meal. Most of this went to Western Europe. Imports of oilseeds, cake and meal totaled 272,267 tons, compared with 237,200 tons in 1971. Copra imports (meal equivalent) represented 85% of the total. Fish meal imports totaled 391,955 tons, 38% above the previous year. Exceptionally heavy fish meal imports in the first half of the year—probably in anticipation of dwindling supplies—accounted for the large increase.

U.S. CONSUMPTION OF FOOD FATS

Per Capita Use At New Record

In calendar 1972, consumption of food fats and oils (including the fat content of butter and margarine) reached a record 11.0 billion pounds, as measured by domestic disappearance (table 7). This was 3% above the 10.6 billion of 1971. This translates to around 53 pounds on a per capita basis, equal to the 1970 record. A sharp increase in salad and cooking oils along with smaller gains in margarine and "other edible" uses more than offset decreases in lard and unchanged butter consumption.

Table 6 .--Imports and exports of fats, oils, oil-bearing materials, fat-and-oil products (in terms of oil) and oilmeals, averages 1956-60 and 1961-65 and calendar years 1970-72

Item	Imports for consumption					Exports 1/				
	Average					Average				
	1956-60	1961-65	1970	1971	1972	1956-60	1961-65	1970	1971	1972
	Million pounds									
Food fats and oils										
Butter	2.6	2.3	2.2	2.1	2.2	55.0	71.8	9.4	99.0	53.6
Lard	---	2/	---	.5	.3	608.7	528.1	418.7	344.6	189.1
Beef fats	.9	.6	.1	.1	.5	21.3	10.3	22.3	10.5	19.3
Total, edible animal fats	3.5	2.9	2.3	2.7	3.0	685.0	610.2	450.4	454.1	262.0
Corn oil	7.0	11.8	3.1	.6	2/	---	---	36.3	43.1	49.5
Cottonseed oil	---	2/	.1	2/	.2	432.4	453.4	375.3	402.0	477.4
Cottonseed (17 percent)	---	---	---	---	---	2.9	2.5	8.3	12.3	1.2
Olive oil, edible	50.3	52.1	62.4	61.7	67.1	---	---	---	---	---
Palm oil	33.6	25.6	140.9	216.9	431.1	---	---	---	---	---
Peanut oil	2.4	1.1	2/	2/	2/	10.8	31.8	32.1	85.2	61.2
Peanuts, shelled (43.5 percent)	---	---	---	---	---	10.1	13.6	14.0	62.6	132.0
Soybean oil	---	---	---	2/	---	836.8	1,080.2	1,535.1	1,765.8	1,340.0
Soybeans (18.3 percent)	2/	2/	2/	2/	2/	1,125.5	1,994.6	4,831.8	4,663.7	4,847.2
Safflower seed (36 percent)	---	---	---	---	---	---	26.7	46.9	40.2	33.5
Other vegetable oils	7.9	12.5	21.6	23.5	24.4	20.7	31.2	8.1	12.2	10.2
Total, edible vegetable oils	101.2	103.1	228.1	302.7	522.8	2,439.2	3,634.0	6,887.9	7,087.1	6,952.2
Soap fats and oils										
Tallow, inedible	1.1	1.3	7.4	4.9	1.6	1,309.8	1,752.2	2,028.9	2,442.5	2,195.1
Greases	.3	.5	2/	2/	2/	120.5	207.8	213.4	166.2	161.8
Fish and fish liver oils non-medicinal	1.2	3.5	.3	1.7	6.4	128.4	155.0	168.0	236.1	193.8
Marine mammal oils	43.2	65.5	55.6	45.6	5.1	1.7	4.7	---	---	---
Olive oil, inedible	.5	.5	.4	.2	.3	6.5	---	---	---	---
Total, slow-lathering oils	46.3	71.3	63.7	52.4	13.4	1,566.9	2,119.7	2,410.3	2,844.8	2,550.7
Babassu oil	---	1.9	6.3	---	---	---	---	---	---	---
Coconut oil	190.2	318.9	594.7	627.7	677.0	8.4	5.8	11.6	21.6	12.8
Copra (64 percent)	429.9	405.1	278.8	268.6	294.9	.1	2/	---	---	---
Palm kernel oil	60.2	84.0	82.5	95.8	101.0	---	---	---	---	---
Total, lauric-acid oils	680.3	809.9	962.3	992.1	1,072.9	8.5	5.8	11.6	21.6	12.8
Drying oils										
Flaxseed (36.1 percent)	2/	2/	2/	1.5	2/	143.4	91.0	59.2	8.5	213.4
Linseed oil	2/	2/	2/	2/	2/	62.6	20.9	48.6	46.9	188.0
Oiticica oil	10.0	9.2	3.8	2.7	5.3	---	---	---	---	---
Tall oil	---	---	---	---	---	41.3	39.9	163.1	131.8	178.3
Tung oil	27.1	24.0	18.2	22.2	21.6	9.8	7.4	2.1	2.0	1.3
Total	37.1	33.2	22.0	26.4	26.9	257.1	159.2	273.0	189.2	581.0
Other industrial oils and fats										
Castor oil	103.5	109.5	106.5	76.5	97.5	2.2	.8	---	---	---
Fish-liver oils, medicinal	19.6	13.8	9.5	13.0	8.8	.7	.6	---	---	---
Rapeseed oil	3.4	4.4	7.2	11.1	11.4	---	---	---	---	---
Wool grease	6.4	5.7	8.2	9.7	10.7	---	---	---	---	---
Other vegetable oils and fats, inedible	.1	5.5	11.4	9.6	9.3	16.5	32.9	109.3	120.0	148.9
Total	133.0	138.9	142.8	119.9	137.7	19.4	34.3	109.3	120.0	148.9
Products										
Margarine (fat content)	---	---	---	---	---	7.6	7.1	10.1	10.8	10.6
Shortening	---	---	---	---	---	25.9	25.4	37.2	30.6	33.2
Salad products (fat content)	---	---	---	---	---	3.2	4.4	12.5	13.6	15.8
Soap (fat content)	1.1	1.9	2.4	2.6	3.0	22.1	20.2	22.8	20.5	22.6
Fatty acids	1.2	6.8	8.0	6.1	10.0	34.0	56.3	123.8	123.1	112.6
Total	2.3	8.7	10.4	8.7	13.0	92.8	113.4	206.4	198.6	194.8
Grand total	1,003.7	1,168.0	1,431.9	1,504.9	1,789.8	5,068.9	6,676.6	10,348.7	10,915.1	10,702.3
Glycerine	18.0	7.8	.2	.3	1.1	16.0	28.0	74.0	69.0	64.4
Oilseed Cake and Meal:	Thousand tons									
Soybean	.3	---	---	---	---	469.1	1,447.0	4,103.5	4,573.1	4,041.6
Cottonseed	69.6	42.3	3/	---	.7	54.8	76.3	33.8	36.5	32.9
Linseed	3.3	1.4	1.7	2.0	3.0	50.6	53.7	74.9	110.7	174.4
Copra	41.1	8.4	---	---	---	---	---	---	---	---
Corn	---	---	---	---	---	---	.6	6.3	3.2	4.6
Other	.9	8.7	6.9	3.2	12.9	6.1	10.7	61.3	82.9	76.7
Total oilmeals	115.2	60.8	8.6	5.2	16.6	580.6	1,588.3	4,279.8	4,806.4	4,330.2

1/ Includes re-exports and foreign donations and shipments to U.S. Territories.

2/ Less than 50,000 pounds.

3/ Less than 50 tons.

SOURCE: Bureau of Census

Table 7.--Fats and oils: Use in products for civilian consumption, 1935-39 average, annual 1947-72

Year	Food products													
	Butter (actual weight)		Lard (direct use) 1/		Margarine (actual weight)		Baking and frying fats (shortening)		Salad and cooking oils 2/		Other edible uses 3/		All food products 4/	
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.
Average 1935-39	2,196	17.0	1,424	11.0	371	2.9	1,519	11.8	---		844	6.5	5,857	45.4
1947	1,600	11.2	1,792	12.6	713	5.0	1,338	9.4	---		988	6.9	5,986	42.0
1948	1,450	10.0	1,850	12.7	887	6.1	1,410	9.7	---		1,037	7.1	6,183	42.6
1949	1,549	10.5	1,744	11.8	851	5.8	1,435	9.7	---		1,163	7.9	6,287	42.6
1950	1,614	10.7	1,891	12.6	918	6.1	1,656	11.0	---		1,297	8.6	6,890	45.9
1951	1,445	9.6	1,855	12.3	996	6.6	1,365	9.0	---		1,168	7.7	6,366	42.1
1952	1,316	8.6	1,817	11.8	1,219	7.9	1,562	10.2	---		1,339	8.7	6,765	44.1
1953	1,329	8.5	1,772	11.4	1,256	8.1	1,597	10.2	---		1,415	9.1	6,876	44.1
1954	1,410	8.9	1,627	10.2	1,346	8.5	1,870	11.8	---		1,514	9.5	7,238	45.5
1955	1,460	9.0	1,639	10.1	1,323	8.2	1,863	11.5	---		1,704	10.5	7,447	45.9
1956	1,439	8.7	1,623	9.8	1,354	8.2	1,797	10.9	---		1,800	10.9	7,475	45.2
1957	1,406	8.4	1,589	9.4	1,446	8.6	1,756	10.4	---		1,824	10.8	7,469	44.4
1958	1,418	8.3	1,640	9.6	1,549	9.0	1,935	11.3	---		1,804	10.5	7,770	45.3
1959	1,371	7.9	1,536	8.8	1,604	9.2	2,196	12.6	1,486	8.5	459	2.6	8,068	46.2
1960	1,332	7.5	1,358	7.6	1,676	9.4	2,238	12.6	1,630	9.2	414	2.3	8,064	45.3
1961	1,335	7.4	1,393	7.7	1,708	9.4	2,311	12.8	1,661	9.2	361	2.0	8,173	45.1
1962	1,342	7.3	1,314	7.2	1,709	9.3	2,469	13.4	2,021	11.0	134	.7	8,399	45.7
1963	1,281	6.9	1,190	6.4	1,785	9.6	2,525	13.5	2,066	11.1	384	2.1	8,639	46.3
1964	1,297	6.9	1,193	6.3	1,835	9.7	2,598	13.7	2,249	11.9	428	2.3	8,994	47.6
1965	1,232	6.4	1,225	6.4	1,891	9.9	2,695	14.1	2,398	12.5	313	1.6	9,147	47.8
1966	1,099	5.7	1,071	5.5	2,038	10.5	3,079	15.9	2,464	12.7	465	2.4	9,615	49.7
1967	1,076	5.5	1,055	5.4	2,046	10.5	3,108	15.9	2,474	12.7	482	2.5	9,634	49.4
1968	1,117	5.7	1,106	5.6	2,130	10.8	3,211	16.3	2,665	13.5	488	2.5	10,082	51.2
1969	1,081	5.4	1,011	5.1	2,154	10.8	3,398	17.1	2,863	14.4	470	2.4	10,333	51.9
1970	1,061	5.3	939	4.7	2,223	11.0	3,496	17.3	3,125	15.5	541	2.7	10,741	53.3
1971	1,036	5.1	880	4.3	2,264	11.1	3,429	16.8	3,215	15.7	480	2.3	10,648	52.1
1972 5/	1,038	5.0	795	3.8	2,335	11.3	3,451	16.7	3,547	17.2	502	2.4	10,995	53.2

Year	Industrial products												All products	
	Soap		Drying oil products 6/		Fatty acids		Animal feeds		Other industrial products		All industrial products		Including only fat content of butter and margarine	Per capita (fat content)
	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita	Total	Per capita		
	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.	Mil. lb.	Lb.
Average 1935-39	1,638	12.8	774	6.0	---	---	---	---	440	3.4	2,852	22.2	8,709	67.5
1947	2,234	15.7	1,007	7.1	280	1.9	---	---	605	4.2	4,126	28.9	10,113	70.9
1948	2,039	14.0	1,071	7.4	276	1.9	---	---	560	3.9	3,946	27.2	10,129	69.8
1949	1,758	11.9	964	6.5	413	2.8	---	---	441	3.0	3,576	24.2	9,863	66.8
1950	1,804	12.0	1,182	7.9	501	3.4	---	---	653	4.3	4,140	27.6	11,030	73.4
1951	1,505	10.0	1,129	7.5	453	3.0	---	---	763	5.0	3,850	25.5	10,216	67.6
1952	1,352	8.8	1,010	6.6	412	2.7	---	---	819	5.3	3,593	23.4	10,358	67.5
1953	1,291	8.3	1,064	6.8	577	3.7	---	---	699	4.5	3,631	23.3	10,507	67.4
1954	1,177	7.4	1,001	6.3	521	3.3	111	.7	717	4.5	3,527	22.2	10,765	67.7
1955	1,115	6.9	1,104	6.8	606	3.8	181	1.1	834	5.1	3,840	23.7	11,287	69.5
1956	1,038	6.3	1,089	6.6	645	3.9	296	1.8	894	5.4	3,962	24.0	11,437	69.2
1957	994	5.9	1,015	6.0	737	4.4	425	2.5	783	4.7	3,959	23.5	11,428	67.9
1958	914	5.3	920	5.4	722	4.2	550	3.2	883	5.2	3,989	23.3	11,759	68.6
1959	862	4.9	910	5.2	1,150	6.6	505	2.9	808	4.7	4,235	24.3	12,303	70.5
1960	860	4.8	821	4.6	1,245	7.0	504	2.8	841	4.7	4,271	24.0	12,335	69.2
1961	830	4.6	846	4.7	1,226	6.8	502	2.8	819	4.5	4,223	23.3	12,396	68.4
1962	774	4.2	879	4.8	1,319	7.2	876	4.8	878	4.8	4,726	25.7	13,125	71.5
1963	775	4.2	866	4.6	1,408	7.6	827	4.5	920	4.9	4,796	25.7	13,435	72.1
1964	773	4.1	889	4.7	1,598	8.5	838	4.5	885	4.7	4,983	26.4	13,977	73.9
1965	706	3.7	895	4.7	1,735	9.1	717	3.8	763	4.0	4,816	25.1	13,963	72.9
1966	719	3.7	908	4.7	1,957	10.1	893	4.6	852	4.4	5,329	27.6	14,988	77.5
1967	706	3.6	844	4.3	1,893	9.7	972	5.0	819	4.2	5,234	26.8	14,868	76.2
1968	689	3.5	850	4.3	1,907	9.7	1,011	5.1	788	4.0	5,245	26.6	15,327	77.8
1969	673	3.4	728	3.7	1,943	9.8	1,078	5.4	988	5.0	5,410	27.2	15,743	79.1
1970	679	3.4	620	3.1	2,004	9.9	1,098	5.4	872	4.3	5,272	26.2	16,014	79.4
1971	677	3.3	619	3.0	1,779	8.8	1,143	5.7	1,022	5.1	5,240	25.7	15,888	77.8
1972 5/	724	3.5	569	2.8	1,971	9.5	1,111	5.4	963	4.7	5,338	25.9	16,334	79.1

1/ Excludes lard used in margarine, shortening, and nonfood products. 2/ Fully processed liquid vegetable oils. Including use in mayonnaise and salad dressings, potato products, bakery products, and in fish canning, etc. Not reported separately prior to 1959. 3/ Mainly salad and cooking oils prior to 1959. Beginning with 1959 includes all food fats and oils used other than butter, lard, margarine, shortening or cooking and salad oils. 4/ Including only the fat content of butter and margarine estimated at 80-81% of total weight. 5/ Preliminary. 6/ Paints, varnishes, floor coverings, oil cloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics (other than oil cloth), caulking and other protective coatings.

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U.S. SOYBEAN ECONOMY IN THE 1980's

by
George W. Kromer

ABSTRACT: Sharp increases in the demand for U.S. soybeans and products are projected during the next 10 to 15 years as domestic and export requirements expand. Barring a breakthrough in soybean yields, acreage needed to satisfy potential soybean demand by 1985 may be a third greater than the 47 million planted in 1972.

The uptrend in domestic use of food fats and oils and protein meals is projected to continue at a rate greater than population growth. Fulfilling this potential demand will be achieved mainly through greater use of soybean products, since supplies of other U.S. edible oils and high-protein feeds probably will show little net change. The major forces influencing demand for soybeans in the long run are population and income growth.

KEY WORDS: Soybean economic projections.

U.S. soybean requirements are expected to continue upward during the next 10 to 15 years, reaching a potential 2.2 billion bushels (59 million metric tons) by 1985. This projected demand is some two-thirds greater than the 1972 record utilization of 1.3 billion bushels and nearly quadruple the 1960 level of 0.6 billion bushels. The average annual rate of increase during 1973-85 is projected around 65 million bushels or about 4 percent.

Soybean domestic use (crush, seed and other uses) for 1985 is projected around 1.2 billion bushels, 50 percent above the current season. Soybean exports may double during this period, reaching a potential 1 billion bushels compared with a half billion this season.

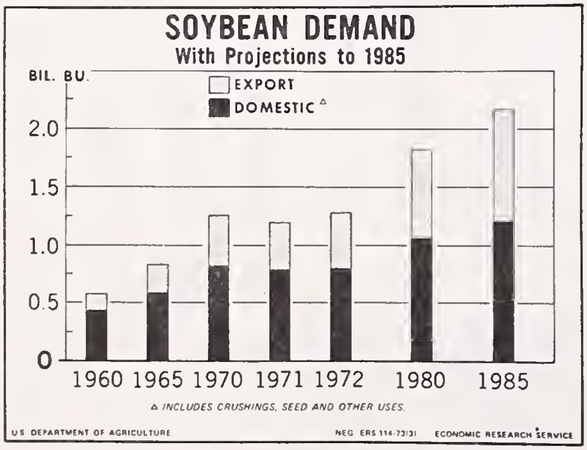


Figure 1

This long-run appraisal of the demand for soybeans—resulting from an assumed continuation of present farm programs, technology, and other economic forces—points up the need for shifting more U.S. acreage into soybean production.

Soybean Acreage Requirements Increasing

U.S. acreage needed to satisfy the projected level of soybean demand in the mid-1980's would be around 62 million harvested acres compared with 46 million in 1972. Of course, if soybean yields increase faster than assumed (a half bushel per acre per year), the potential 1985 soybean requirements could be fulfilled at a lower acreage level.

Any large increases in soybean acreage must come mainly from previously set-aside acreage, corn acreage, or new land. Further transfer of acreage from small grains and hay to soybeans probably will be relatively small, since much of the available land has already been shifted.

Higher Soybean-To-Corn Price Ratio

Whether soybeans can attract acreage away from corn will depend mainly on relative prices and yields from the 2 crops. Historically, soybean yields have increased much more slowly than corn yields. Assuming this trend continues, a higher soybean-to-corn price ratio (greater than 3 to 1) may be required over the years if soybeans are to compete with corn for land. During 1965-72 the ratio averaged 2½ to 1 in favor of beans, and soybean acreage for the past few years rose little.

Soybeans: U.S. acreage, supply and disposition, crop years 1960, 1965, 1970-72 and projections for 1980 and 1985

Item (year beginning September)	Unit	1960	1965	1970	1971	1972 Preliminary	Projections[1] 1980	Projections[1] 1985
				Acreage and yield				
Acreage:								
Planted	Mil. acres	24.4	35.2	43.1	43.5	47.0	57	63
Harvested	"	23.7	34.4	42.2	42.7	45.8	56	62
%Harvested	pct.	97	98	98	98	97	98	98
Yield per acre harvested	bu.	23.5	24.5	26.7	27.5	28.0	32	35
				Supply and disposition				
Supply:								
Beginning stocks, Sept. 1	Mil. bu.	52	30	230	99	72	150	175
Production	"	555	846	1,127	1,176	1,283	1,800	2,150
Total supply	"	607	875	1,357	1,275	1,355	1,950	2,325
Disposition:								
Crushing	Mil. bu.	406	538	760	721	750	960	1,100
Seed	"	33	43	48	51	[70	67	71
Other	"	6	8	15	14		23	29
Total domestic disappearance	"	445	589	823	786	820	1,050	1,200
Exports	"	135	251	434	417	475	750	950
Total disposition	"	580	840	1,258	1,203	1,295	1,800	2,150

[1] Acreage and production derived from projected demand and assumed yields per acre. Stocks levels projected to equal 1 months' total requirements.

Soybeans Most Extensively Planted Crop by 1985

Harvested crop acreage in the United States over the next 10 to 15 years probably will show little net change from the 300-million-acre level of recent years, as anticipated increases in crop yields generally about match projected growth in demand. But the acreage mix among the major crops is expected to change significantly, as soybeans increase sharply while corn and wheat acreages edge downward. Little change is projected for cotton acreage. By 1985 soybeans may require more acres than any other domestic crop, possibly accounting for a fifth of total harvested acres. During 1969-71 soybean's share averaged 14%.

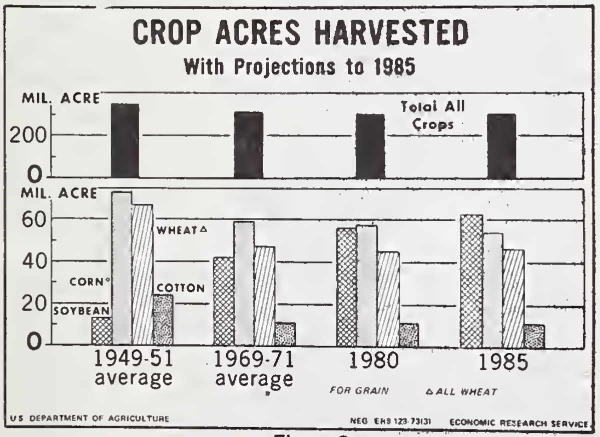


Figure 2

Major Assumptions

The basic assumptions in this analysis are:

1) Domestic farm programs to encourage the adjustments of crop supplies in line with market needs will be continued in some form.
2) Acreage and production will increase as needed to meet projected soybean requirements.
3) No breakthrough in soybean yields per acre but an annual average increase of a half bushel or about 1½%.
4) Continuation of Public Law 480 program exports.
5) World agricultural trade policies will continue substantially as now.
6) Increased U.S. agricultural trade with Eastern Europe, USSR, and the People's Republic of China.
7) Uptrend in U.S. per capita use of food fats and oils will continue, and
8) Increased use of soybean meal in animal feeds and in edible soy products.

Population and income are the primary forces influencing the demand for soybeans and products. Total U.S. population is projected to increase from 209 million at the beginning of 1973 to around 246 million by 1985 (Census Series "D" projections)—a growth rate of 1.2% per year. In percentage terms the increase to 1985 is 18%. With more workers and a continuation of the uptrend in productivity, the gross national product (GNP) of the economy in real terms (1958 dollars) is projected to rise by about 4% per year. This rate of economic growth can be expected to result in increased after-tax incomes and a continued expansion of consumer buying power.

Soybean Requirements Expanding

Since 1959 U.S. soybean production increased more than 140% to a record 1.3 billion bushels in 1972. Most of the gain reflected the doubling of harvested acreage—from 23 million to 46 million. Yields increased only from 23½ bushels per acre to 28 bushels. The average annual increment in soybean yields during 1959-72 was 0.4 bushel per acre, or about 1½% per year. Total soybean utilization trended upward along with increased output, and prices to farmers usually averaged above the government support rates.

U.S. soybean utilization also increased, from about 0.5 billion bushels in 1959 to a record 1.3 billion this year, mainly reflecting the uptrend in domestic crushings and exports. The average annual rate of increase was 58 million bushels or 7% during this period. Continuation of such a strong rate of increase through the mid-1980's does not appear likely. A more moderate rate of gain is projected, averaging around 4% per year, about half the rate for the preceding 13 years. Based on this annual increment, total soybean requirements are projected to increase 40% by 1980 and total 65% more in 1985. The long-run growth rate of exports is projected at a higher level than that for the domestic sector.

Soybeans utilization rates

Item	Average annual rate of growth			
	Actual	1960-72	Projections	1973-85
	Mil. bu.	*Pct.*	*Mil. bu.*	*Pct.*
Total utilization	58	6.8	65	4
Domestic crush	27	5.3	27	3
Exports (raw beans) ...	26	10.4	36	6

Domestic Demand Growth Unabated

Total domestic use of soybeans doubled during 1959-72, rising from 0.4 billion bushels to 0.8 billion. Domestic markets consist of crushings, planting seed, and other uses. Crusher demand is the major domestic outlet, accounting for over 90% of total soybeans used in the United States. Domestic demand for soybeans is projected to continue upward, reaching a potential 1.2 billion bushels by 1985. In other words, the potential growth in domestic use over the next 10 to 15 years is expected to match the increase that occurred during the past 13 years.

Crush Increase Projected At 3% Rate

Since 1959 soybeans crushed for oil and meal increased from about 400 million bushels to around 750 million estimated for the current marketing year. The average increase was 27 million bushels or 5% per year.

Potential growth in soybean oil and soybean meal markets is projected to raise soybean crushings to 1.1 billion bushels by 1985. This is roughly 50% above 1972 and nearly triple the 1960 crush. While the average annual increment of 27 million bushels is the same as 1960-72, the projected rate of gain is 3% compared with 5% during the previous 13 years.

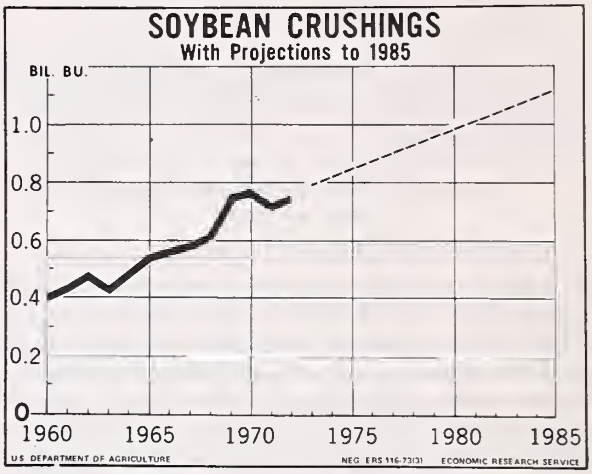


Figure 3

U.S. soybean processing capacity has nearly doubled since 1959, rising from 500 million bushels that year to 925 million estimated for the current season. The average rate of increase was 34 million bushels, or 5½% per year. Soybean processing rose about in line with increased capacity. The long-run average utilization rate of capacity for the industry is about 80%. Demand for soybean products has risen sharply over the years and processing margins have remained favorable, especially in recent years.

The dramatic increase in domestic processing capacity is a reflection of the industry's confidence that world demand for soybean oil and protein will continue to rise and that U.S. soybean products will remain competitive in world markets. Thus, the soybean processing industry likely will be able to accommodate further growth in demand for soybean products during the next 10 to 15 years. Based on projected crushings, the potential soybean processing capacity requirement by 1985 is 1.3 to 1.4 billion bushels. Edible oil refining capacity and product manufacture likely will expand in similar proportions.

One factor tending to limit the processing industry's growth in exports of soybean oil and meal is the prospective surge in U.S. exports of whole soybeans for crushing abroad. Crushing capacity in the industrialized countries of Western Europe and Japan has been expanding and likely will continue to do so.

Soybean Exports May Double by 1985

Soybean exports are projected to increase sharply over the next decade as worldwide demand expands for high-protein feeds and vegetable oils. U.S. soybean exports may double, reaching 1 billion bushels. The average annual rate of increase during 1973-85 is projected at around 36 million bushels, some 5 to 6% per year. This compares with the 1960-72 growth rate of 26 million bushels or 10% annually.

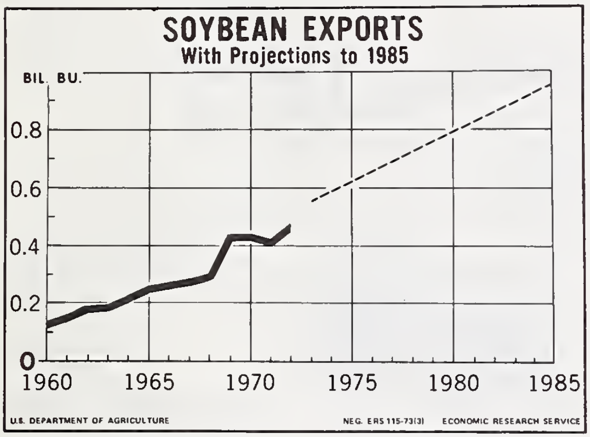


Figure 4

Future growth in U.S. exports will depend on the rate of economic growth in both the developed and the less developed countries. Rising incomes encourage improved diets, including more livestock and poultry products. This in turn generates rising demand for U.S. soybeans and feed grains. The growing overseas demand for soybean protein is particularly evident in the Soviet Union, Asia, and Europe. Particularly significant demand increases have been noted in Japan and Taiwan. The Soviet Union is now taking delivery of its first major purchase of U.S. soybeans, 40 million bushels. In Europe, crushing capacity is continuing to expand dramatically, and purchases of increasing quantities of soybeans from the United States and Brazil are anticipated. One trade estimate places West Europe's crushing capacity over 280 million bushels by 1974, up from 180 million in 1971.

Brazil, the world's second largest exporter of soybeans and products, will continue to increase production—possibly reaching 10 million metric tons by 1980, or 367 million bushels—triple the 1972 level.

A number of developments have brought unusually large elements of uncertainty into long-run forecasts of U.S. agricultural trade. These include (1) New trade relations with the Soviet Union and the People's Republic of China, (2) The expansion of the European Community to include the United Kingdom, Ireland, and Denmark, (3) The realignment of currencies resulting from the Smithsonian Agreement in December 1971 and the additional realignment currently underway, and (4) Unprecedented rates of economic growth in a number of countries, with the possibility of new patterns of food consumption.

Soybean Oil's Share of Domestic Markets Increasing

Soybean oil supplies in the United States are projected around 13 billion pounds by 1985, about 50% or 4 billion pounds above the current year. The major components of demand may be as follows: 10 billion pounds for domestic use, 2 billion for export, and 1 billion for stocks.

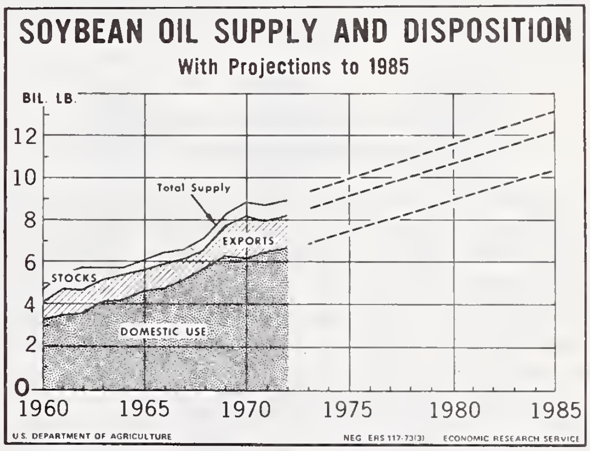


Figure 5

The appraisal of soybean oil potential leads to the overriding conclusion that sharply rising domestic requirements will leave availabilities for export at proportionately lower levels than in recent years. Domestic use recently comprised 80% of total disappearance. The share may reach 85% by 1985.

Soybean oil will continue to gain an ever-increasing share of the domestic food fat market mainly because production responds directly to expanding demand for soybean products. Cottonseed oil and lard are unresponsive to demand and price changes since they are byproducts of the cotton and hog industries. Butter output is affected by the supply of milk and the use of milk in other dairy products.

Domestic use of soybean oil since 1960 has doubled from about 3.3 billion pounds to 6.7 billion estimated for this year. The average annual increase was around 250 million pounds or about 5% per year. All the major food categories—cooking and salad oils, margarine and shortening—registered sharp increases. The 1973-85 projected average annual increase in total domestic use of soybean oil is 0.3 billion pounds.

Soybean oil

Item	Year beginning October		
	1960	1972	1985 projections
	Billion pounds	*Billion pounds*	*Billion pounds*
Stocks	.3	.8	[1]1
Production	4.4	8.0	12
Supply	4.7	8.8	13
Domestic use	3.3	6.7	10
Exports	.7	1.5	2
Disposition	4.0	8.2	12

[1] Stocks are projected at "adequate levels" of one months requirements.

Soybean oil exports will continue to need P.L. 480 assistance during the next decade but program exports may become less of a market factor than in the 1960's.

Domestic Food Fat Market To Expand A Third

Domestic demand for food fats and oils will continue to expand markedly over the next 10 to 15 years, reaching a potential 15 billion pounds by 1985—some 30% greater than current levels. The indicated gain of 3½ billion pounds during 1973-85 compares with 3 billion in 1960-72. Increased food fat demand stems from population and income growth and greater use per capita. Virtually the entire prospective increase is in soybean oil. Slight net gains in other vegetable oils offset projected declines for animal fats.

Soybean oil has emerged as the leading vegetable oil in the U.S. food fat economy because production has responded to increased demand while supplies of competitive fats and oils have been inelastic. In 1960 soybean oil accounted for 36% of domestic food fat consumption but by 1972 it was over 56% of a 35% larger market. Projections for 1985 indicate that soybean oil's dominance will increase further to two-thirds of all food fats and oils utilized in the United States.

Domestic markets for farm products generally increase only a little faster than population. As incomes rise, people usually do not consume much more food in terms of pounds or calories, but they do upgrade their diet with more red meats, convenience, and other costlier kinds of food. This results in a modest gain in per capita food consumption. Our diets are likely to continue to change in response to growth in income, changes in relative prices, developments of substitutes, and shifts in consumer preferences.

Food fats domestic use

Item	Year beginning October		
	1960	1972	1985 projections
	Billion pounds	*Billion pounds*	*Billion pounds*
Soybean oil	3.4	6.7	10.2
Other vegetable oils	1.7	2.2	2.5
Animal fats	3.7	3.0	2.7
Total	8.8	11.9	15.4
Percentage distribution:			
Vegetable oils	58	75	83
Animal fats	42	25	17

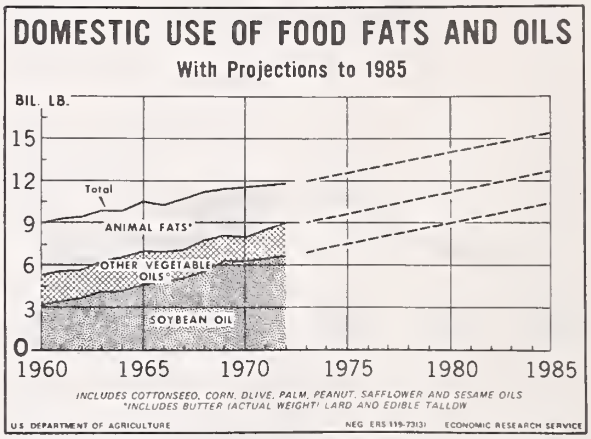


Figure 6

Moderately More Food Fats Per Person

Thanks partly to the french fry and the drive-in hamburger stand, consumption of food fats and oils has increased during the past decade—from 45 to 53 pounds on a fat content basis. A moderate rise is projected over the next 10 to 15 years, possibly to around 60 pounds per person, some 7 pounds above 1972.

For many years now the U.S. consumer has been shifting from animal fat products to vegetable oil products. This trend is projected to continue, with vegetable oils accounting for over four-fifths of the total food fats by 1985.

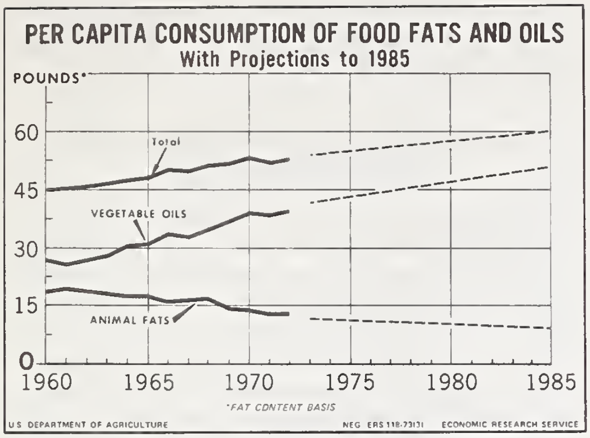


Figure 7

Edible vegetable oil use per person rose from 26 pounds in the early 1960's to 40 pounds in 1972—a whopping 55% increase. Over the next 10 to 15 years, oil use is projected to increase another fourth to 50 pounds.

Animal fat use per person dropped from 19 pounds in the early 1960's to 13 pounds in 1972. Further declines are projected over the next decade, with total use falling to 10 pounds.

Food fat per capita use

Item	Year beginning October		
	1960	1972	1985 projections
	Pounds	*Pounds*	*Pounds*
Soybean oil	16	31	41
Other vegetable oils	10	10	9
Animal fats[1]	19	13	10
Total use for food[1]	45	53	60

[1] Fat content basis.

Edible vegetable oils moved into the dominant position in the U.S. food fat economy mainly because of (1) the sharp growth in output of soybean oil at competitive price levels; (2) the trend of diet-cholesterol-conscious consumers toward using more liquid (unsaturated) oils and less solid (saturated) fats; (3) increased hydrogenation processing which permitted the manufacture of shortening entirely from vegetable oils; and (4) the consumer shift from butter to lower-priced vegetable oil margarines.

What We'll Eat

Now let us view the food fat consumption rate for 1985 by end-products. A possible configuration may be about as follows:

Food fat	Pounds per capita		
	1960	1972	1985 projections
Butter (fat content)	6.2	4.1	3
Margarine (fat content)	7.5	8.9	10
Shortening	12.6	16.8	19
Lard (direct use)	7.5	3.8	3
Salard and cooking oils	9.2	17.1	22
Other edible uses	2.3	2.4	3
Total (fat content basis)	45.3	53.0	60

During 1973-85 the use of table spreads (butter and margarine) is projected to remain steady, but margarine will continue to displace butter. Cooking fats (direct use of lard plus shortening) are projected to increase about 2 pounds per capita, with gains in shortening more than offsetting the lard downtrend. Cooking and salad oils will continue to lead the increase in U.S. consumption of food fat products—rising a potential 5 pounds by 1985.

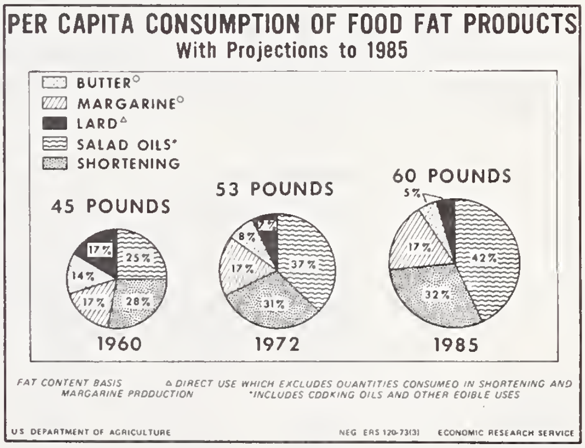


Figure 8

Soybeans Meal Use To Expand In Feed and Edible Soy Products

Demand for soybean meal is the key determinant in the volume of soybeans crushed. For many years protein demand outstripped oil demand and large quantities of soybean oil were in surplus and exported under P.L. 480 programs. Soybean meal is not a storable commodity and stocks usually remain relatively low. About the only sizable carryover of soybean protein from one crop year to the next is in the form of the raw soybeans.

Soybean meal supplies increased from about 10 million tons in 1960 to 18 million this year. About the same level of increase is projected for the next 10 to 15 years, reaching a potential supply of 26 million tons by 1985. Domestic demand for animal feeds and edible soy products will account for most of the gain—rising from 13 million tons in 1972 to 21 million by 1985. High-protein consuming animal units are projected to rise about a fourth (from 143 million to 175 million) along with a continuing increase in the quantity fed per animal unit.

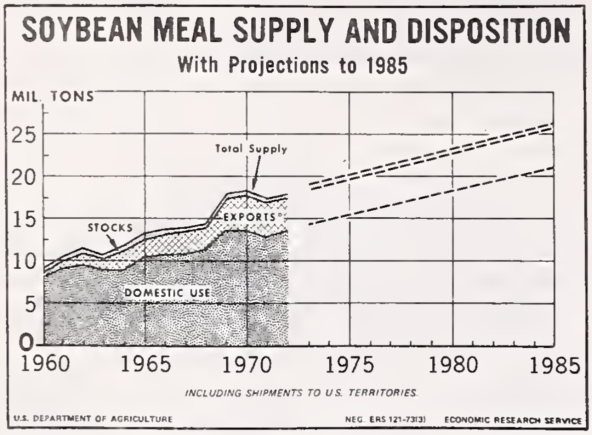


Figure 9

Exports of soybean meal are expected to increase only moderately from the 4-million-ton level in 1972, since the bulk of increasing overseas requirements for soymeal will be met chiefly through the importation of U.S. soybeans.

Soybean meal

Item	Year beginning October		
	1960	1972	1985 projections
	Million tons	*Million tons*	*Million tons*
Stocks	.1	.2	([1])
Production	9.5	17.6	26
Supply	9.6	17.8	26
Domestic use[2]	8.9	13.3	21
Exports	.6	4.3	5
Disposition	9.5	17.6	26

[1] Less than 500,000 tons. [2] Includes animal feeds and edible soy products.

Sharp increases are projected in the use of soybean protein foods (flour and grits, concentrates, isolates and textured items—extruded and spun) over the next decade. The first significant market penetration in red meat and poultry by vegetable proteins probably will be as extenders in institutional markets. A USDA study projects that by 1980 vegetable protein will replace 20% of the red meat in processed foods, amounting to 8% of the total red meat production. Preference for meat texture and taste has so far limited the substitution, but advances in food technology continue to improve the acceptability of meat substitutes. Only fragmentary data are available on U.S. production of soy protein foods. In 1970, an estimated 600-700 million pounds of these foods were produced, requiring about 400,000 tons of processed soybean meal.

Soymeal May Comprise Three-Fourths Of High-Protein Feeds

Total high-protein feeds available for feeding are projected to rise sharply over the next 10 to 15 years, reaching a potential 29 million tons (44% protein soybean meal equivalent) by 1985. This compares with 20 million tons in 1972 and is nearly double the 1960 tonnage. About 90% of the prospective gain will be in soybean meal. Animal protein (tankage and meat meal, fish meal and dried milk products) and grain protein (gluten feed and meal, brewers' and distillers' dried grains) are each expected to rise a half million tons during 1973-85. In 1985 soybean meal may account for three-fourths of total high-protein feeds available, in contrast with 65% this season.

High protein feed availability[1]

Item	Year beginning October		
	1960	1972	1985 Projections
	Million tons	*Million tons*	*Million tons*
Soybean meal[2]	8.9	13.3	21
Other oilseed meals	2.4	2.3	2
Animal protein	3.3	3.3	4
Grain protein	.9	1.4	2
Total	15.5	20.3	29
% soy meal	57	65	73

[1] In terms of 44% protein soybean meal equivalent. [2] Includes animal feeds and edible soy products.

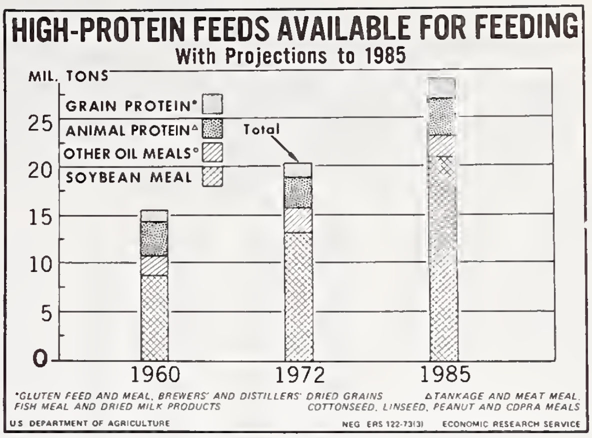
Demand for feed is a function of livestock production and prices, and the price of feed. Livestock production in 1985 is projected to increase by over one-fourth from the 1969-71 level, as follows:

Item	Unit	1969-71 average	Projected 1985	increase
		Million units	*Million units*	*Percent*
Cattle and calves[1]	pounds	22,185	32,250	45
Hogs[1]	"	13,728	16,900	23
Chickens[2] [3]	"	8,478	13,020	54
Turkeys[3]	"	1,727	2,620	51
Eggs	dozens	5,863	6,870	17
Milk[4]	cwt.	1,174	1,210	3
Total livestock production	Index 1967=100	105	134	28

[1] Carcass weight. [2] Farm chickens and commerical broilers. [3] Ready-to-cook basis. [4] Milk equivalent, fat solids basis.

The feeding rate may rise slightly over the next 10 to 15 years if livestock-feed ratios continue relatively favorable. Beef and milk production is likely to come increasingly from concentrate feeding—from the grain and high-protein feeds rather than from roughage. Thus, even though physical feeding efficiency is expected to increase for most livestock items, total concentrates fed in 1985 should be up around 40% from 186-million-ton average of 1969-71.

Until the early 1960's use of high-protein feeds had been rising more rapidly than use of total feed concentrates. However, in the last few years, the rate of increase for high-protein feeds has slowed somewhat, apparently in response to the increasing use of urea in cattle feeding. Projected feed use for 1985 assumes a further modest increase in urea and possibly other protein substitutes such as petro-protein meal.



*GLUTEN FEED AND MEAL, BREWERS' AND DISTILLERS' DRIED GRAINS △TANKAGE AND MEAT MEAL, FISH MEAL AND DRIED MILK PRODUCTS °COTTONSEED, LINSEED, PEANUT AND COPRA MEALS

U.S. DEPARTMENT OF AGRICULTURE NEG. ERS 122-73(3) ECONOMIC RESEARCH SERVICE

Figure 10

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Table 8. --Domestic disappearance of food and nonfood fats and oils, by end products, total and per person, year beginning October by quarters, with comparisons, 1970 to date

Year and Quarter	Unit	Food							Nonfood				All products (fat content)
		Butter (actual weight)	Margarine (actual weight)	Lard (direct)	Baking and frying fats (shortening)	Salad and cooking oils	Other edible 1/	Total (fat content)	Soap 2/	Drying oils 3/	Other 4/	Total	
1970-71													
Oct.-Dec.:													
Total	Mil. lb.	306	607	265	907	822	131	2,862	123	134	1,084	1,342	4,204
Per person	Lb.	1.5	3.0	1.3	4.4	4.0	.6	13.9	.6	.7	5.3	6.5	20.4
Jan.-Mar.:													
Total	Mil. lb.	273	581	245	891	773	124	2,718	195	143	889	1,228	3,946
Per person	Lb.	1.3	2.8	1.2	4.3	3.7	.6	13.2	.9	.7	4.3	6.0	19.1
Apr.-June:													
Total	Mil. lb.	257	536	197	829	825	123	2,608	205	151	1,007	1,363	3,971
Per person	Lb.	1.2	2.6	1.0	4.0	4.0	.6	12.6	1.0	.7	4.9	6.6	19.2
July-Sept.:													
Total	Mil. lb.	239	526	240	887	812	107	2,659	179	202	985	1,366	4,025
Per person	Lb.	1.2	2.5	1.2	4.3	3.9	.5	12.8	.9	1.0	4.8	6.6	19.4
Season:													
Total	Mil. lb.	1,074	2,250	949	3,514	3,232	485	10,847	703	631	3,965	5,299	16,147
Per person	Lb.	5.2	10.9	4.6	17.0	15.6	2.3	52.5	3.4	3.1	19.2	25.6	78.2
1971-72 5/													
Oct.-Dec.:													
Total	Mil. lb.	300	622	197	882	831	125	2,776	104	129	1,103	1,336	4,112
Per person	Lb.	1.4	3.0	.9	4.2	4.0	.6	13.4	.5	.6	5.3	6.4	19.8
Jan.-Mar.:													
Total	Mil. lb.	255	587	202	859	872	130	2,738	203	155	979	1,337	4,075
Per person	Lb.	1.2	2.8	1.0	4.1	4.2	.6	13.1	1.0	.7	4.7	6.4	19.6
Apr.-June:													
Total	Mil. lb.	250	553	178	843	886	111	2,660	220	153	1,015	1,389	4,049
Per person	Lb.	1.2	2.7	.9	4.0	4.2	.5	12.8	1.1	.7	4.9	6.9	19.4
July-Sept.:													
Total	Mil. lb.	246	551	202	879	924	125	2,767	202	146	971	1,320	4,086
Per person	Lb.	1.2	2.6	1.0	4.2	4.4	.6	13.2	1.0	.7	4.6	6.3	19.6
Season:													
Total	Mil. lb.	1,051	2,313	780	3,464	3,512	491	10,941	730	584	4,068	5,382	16,323
Per person	Lb.	5.0	11.1	3.7	16.6	16.9	2.4	52.5	3.5	2.8	19.5	25.8	78.3
1972-73 5/													
Oct.-Dec.:													
Total	Mil. lb.	297	644	213	918	883	137	2905	106	120	1121	1346	4251
Per person	Lb.	1.4	3.1	1.0	4.4	4.2	.7	13.9	.5	.6	5.3	6.4	20.3
Jan.-Mar.:													
Total	Mil. lb.												
Per person	Lb.												
Apr.-June:													
Total	Mil. lb.												
Per person	Lb.												
July-Sept.:													
Total	Mil. lb.												
Per person	Lb.												
Season:													
Total	Mil. lb.												
Per person	Lb.												

1/ Includes all food fats and oils used other than butter, lard, margarine, shortening and cooking and salad oils.

2/ Fat equivalent of soap used in synthetic rubber is included in "other industrial products". Adjusted for foreign trade and changes in stocks.

3/ Paints, varnishes, floor coverings, oilcloth, printing inks, core oils, synthetic resins, insulation, linings, packings, coated fabrics, caulking and other protective coatings.

4/ Includes use of fats and oils in chemicals, lubricants and greases, animal feeds, fatty acids, tin and terne plate, pharmaceuticals, leather, candles, synthetic organic detergents, toilet articles, and miscellaneous industrial products.

5/ Preliminary.

Table 9.--Imports and exports of fats, oils, oil-bearing materials, fat-and-oil products (in terms of oil) and oilmeals

Item	Imports for consumption					Exports 1/				
	Oct.-Jan.		1972		1973	Oct.-Jan.		1972		1973
	1971-72	1972-73	Nov.	Dec.	Jan.	1971-72	1972-73	Nov.	Dec.	Jan.
	Million pounds									
Food fats and oils										
Butter	1.6	1.7	.1	.1	1.5	90.7	1.2	2/	1.1	2/
Lard	.2	2/	2/	---	---	72.8	66.4	31.7	4.4	18.5
Beef fats	2/	.3	.2	2/	2/	3.4	12.5	9.2	1.0	1.0
Total, edible animal fats	1.8	2.0	.3	.1	1.5	166.9	80.1	40.9	6.5	19.5
Corn oil	---	2/	---	---	---	4.6	7.1	1.4	1.4	2.2
Cottonseed oil	---	.2	---	.2	---	121.0	179.9	70.6	32.2	58.2
Cottonseed (17 percent)	---	---	---	---	---	.4	.2	2/	.1	.1
Olive oil, edible	15.4	13.4	3.5	3.2	3.4	---	---	---	---	---
Palm oil	113.4	88.1	12.2	20.6	25.6	---	---	---	---	---
Peanut oil	2/	2/	2/	2/	---	34.6	30.8	3.4	10.1	11.1
Peanuts, shelled (43.5 percent)	---	---	---	---	---	30.4	26.1	4.3	7.6	5.6
Soybean oil	2/	---	---	---	---	531.0	322.9	118.9	65.0	63.7
Soybeans (18.3 percent)	2/	2/		2/	2/	1,864.5	2,341.3	673.6	544.9	525.2
Safflower seed (36 percent)	---	---	---	---	---	39.3	18.9	7.8	6.5	.9
Other vegetable oils	5.1	8.4	1.5	1.4	4.4	5.8	1.6	.4	.4	.3
Total, edible vegetable oils	133.9	110.1	17.2	25.4	33.4	2,631.6	2,928.8	880.4	668.2	667.3
Soap fats and oils										
Tallow, inedible	.6	.5	.2	.1	.1	797.2	775.2	220.9	149.5	239.8
Greases	---	---	---	---	---	60.3	35.5	7.5	12.5	4.8
Fish and fish liver oils non-medicinal	.2	2.4	.2	1.5	.2	63.8	84.8	6.5	33.8	6.5
Marine mammal oils	16.3	2/	2/	---	---	---	---	---	---	---
Olive oil, inedible	.1	2/	---	---	2/	---	---	---	---	---
Total, slow-lathering oils	17.2	2.9	.4	1.6	.3	921.3	895.5	234.9	195.8	251.1
Babassu oil	---	---	---	---	---	---	---	---	---	---
Coconut oil	134.2	224.5	37.3	50.4	69.8	8.4	2.3	.4	.1	1.5
Copra (64 percent)	124.3	114.6	---	32.6	31.3	---	---	---	---	---
Palm kernel oil	28.4	35.3	5.8	16.7	6.5	---	---	---	---	---
Total, lauric-acid oils	286.9	374.4	43.1	99.7	107.6	8.4	2.3	.4	.1	1.5
Drying oils										
Flaxseed (36.1 percent)	2/	---	---	---	---	.1	101.9	48.1	49.7	.5
Linseed oil	2/	---	---	---	---	11.4	89.9	33.0	28.0	21.8
Oiticica oil	.6	1.0	---	.7	---	---	---	---	---	---
Tall oil	---	---	---	---	---	52.1	57.2	9.7	12.5	14.0
Tung oil	4.6	8.8	1.1	2.6	4.0	.7	.8	.2	.1	.6
Total	5.2	9.8	1.1	3.3	4.0	64.3	249.8	91.0	90.3	36.9
Other industrial oils and fats										
Castor oil	14.1	27.2	6.3	7.7	5.3	---	---	---	---	---
Fish-liver oils, medicinal	2.4	2.3	.7	.3	.4	---	---	---	---	---
Rapeseed oil	2.9	4.5	.7	1.5	1.1	---	---	---	---	---
Wool grease	3.1	2.5	.6	.6	.8	---	---	---	---	---
Other vegetable oils and fats, inedible	2.2	3.2	.9	.8	.9	47.0	57.1	10.0	19.6	12.9
Total	24.7	39.7	9.2	10.9	8.5	47.0	57.1	10.0	19.6	12.9
Products										
Margarine (fat content)	---	---	---	---	---	1.1	1.1	.2	.5	.2
Shortening	---	---	---	---	---	6.4	7.9	2.0	2.4	1.5
Salad products (fat content)	---	---	---	---	---	3.1	3.3	.9	.9	.7
Soap (fat content)	.7	1.1	.3	.3	.2	2.7	3.2	.6	.9	.7
Fatty acids	1.1	4.1	1.8	.5	.9	40.0	31.0	7.7	7.0	5.6
Total	1.8	5.2	2.1	.8	1.1	53.3	46.5	11.4	11.7	8.7
Grand total	471.7	544.2	73.4	141.7	156.7	3,893.0	4,260.1	1,269.0	992.0	998.1
Glycerine	.4	.5	---	2/	2/	21.7	18.2	2.5	4.3	3.0
Oilseed Cake and Meal:	Thousand tons									
Soybean	---	---	---	---	---	1,400.7	1,777.8	474.9	437.3	580.1
Cottonseed	.1	.6	---	3/	---	.2	1.8	.3	1.5	.1
Linseed	1.1	1.0	.3	.2	.3	36.7	69.0	8.4	21.4	1.3
Copra	---	---	---	---	---	---	---	---	---	---
Corn	---	---	---	---	---	.8	.2	.2	3/	---
Other	2.2	5.8	1.4	1.6	1.9	42.2	20.4	6.2	6.3	2.7
Total oilmeals	3.4	7.4	1.7	1.8	2.2	1,480.6	1,869.2	490.0	466.5	584.2

1/ Includes re-exports and foreign donations but not shipments to U.S. Territories. 2/ Less than 50,000 pounds. 3/ Less than 50 Tons.

Source: Bureau of Census.

Table 10 .--Index numbers of wholesale prices of fats and oils 1/

Item	1967=100				
	January		1972		1973
	1971	1972	November	December	January
All fats and oils	118	109	110	111	109
All fats and oils, except butter	126	114	113	114	114
Grouped by origin:					
Animal fats	115	109	119	118	115
Vegetable oils, domestic	122	112	93	99	96
Vegetable oils, foreign	125	94	87	90	100
Grouped by use:					
Butter	104	102	104	107	101
Lard	122	123	141	123	122
Lard, refined	99	113	128	122	121
Food fats other than butter	124	117	113	107	104
Food fats other than butter and lard	125	115	96	101	97
All edible fats and oils	114	109	106	106	103
Soap fats	136	111	124	129	130
Drying oils	98	91	94	98	108
Other industrial	124	99	106	106	111
All industrial	130	108	120	124	126
Edible vegetable oils, grouped by degree of processing:					
Crude	125	114	94	99	96
Refined	141	121	105	109	110
End products	119	122	122	119	120
Margarine	119	122	122	122	122
Shortening, 3 lb. tin	120	124	120	120	120
Shortening, 440 lb. drum	118	118	120	117	119

1/ The year 1967 has been established as the new standard reference base period for general purpose index numbers prepared by Federal agencies. Index numbers based on 1967=100 were converted from the indexes based on 1957-59=100 previously published in this report.

Table 11 .--Prices received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	February		1972	1973	
		1971	1972	December	January	February
				-- Dollars --		
OILSEEDS						
Copra, Philippines, c.i.f. Pacific Coast	Short ton	---	---	---	---	---
Cottonseed, United States average	Short ton	58.90	54.30	49.90	51.80	51.90
Flaxseed, No. 1, Minneapolis	Bushel	2.62	2.74	3.41	3.90	4.53
Flaxseed, United States average	Bushel	2.33	2.42	3.13	3.51	4.15
Peanuts, United States average (farmers' stock)	100 lb.	12.00	---	14.60	15.20	---
Peanuts, Virginias' No. 1, shelled, Va.-N.C. 1/	100 lb.	22.00	23.75	25.68	25.38	25.25
Peanuts, Runners No. 1, shelled, Southeast 1/	100 lb.	21.38	23.38	23.62	23.88	24.00
Peanuts, Spanish No. 1, shelled, Southeast 1/	100 lb.	21.50	23.50	23.75	24.00	24.12
Peanuts, Spanish No. 1, shelled, Southwest 1/	100 lb.	21.75	23.50	23.50	23.88	24.25
Soybeans, No. 1, Yellow, Chicago	Bushel	3.06	3.18	4.13	4.50	5.81
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	3.01	3.14	4.07	4.40	5.66
Soybeans, United States average	Bushel	2.92	3.00	3.95	4.10	5.49
OILMEALS (bulk)						
Copra meal, 20 percent protein, Los Angeles	Short ton	---	80.00	85.00	87.00	92.50
Cottonseed meal, 41 percent protein, Memphis	Short ton	73.60	74.40	164.40	160.30	168.75
Cottonseed meal, 41 percent protein, Chicago	Short ton	85.90	84.70	N.A.	N.A.	N.A.
Cottonseed meal, 41 percent protein, Atlanta	Short ton	75.60	79.60	170.10	168.60	179.30
Cottonseed meal, 41 percent protein, Ft. Worth	Short ton	84.00	83.20	161.25	169.40	170.00
Fish meal, 60 percent protein, bagged, New York 2/	Short ton	178.75	161.80	266.25	370.00	418.75
Fish meal, 60 percent protein, bulk, Los Angeles 3/	Short ton	150.00	138.00	187.20	203.10	340.50
Linseed meal, 34 percent protein, Minneapolis	Short ton	63.50	66.20	130.00	141.80	159.75
Linseed meal, 34 percent protein, New York	Short ton	88.60	N.A.	N.A.	N.A.	N.A.
Peanut meal, 50 percent protein, f.o.b. Southeastern mills	Short ton	76.75	75.00	---	---	---
Safflower meal, 20 percent solvent, San Francisco	Short ton	45.00	36.20	52.50	57.40	64.25
Soybean meal, 44 percent protein, Chicago	Short ton	82.60	91.00	180.60	195.00	225.30
Soybean meal, 44 percent protein, Decatur	Short ton	77.50	84.80	174.00	188.75	218.75
Soybean meal, 44 percent protein, Atlanta	Short ton	88.00	93.40	186.60	201.25	233.10
Soybean meal, 44 percent protein, Memphis	Short ton	80.20	86.70	171.60	197.50	222.40
Soybean meal, 50 percent protein, Decatur 4/	Short ton	82.40	91.50	195.00	210.40	240.00
Soybean meal, 50 percent protein, Memphis 4/	Short ton	87.50	96.30	193.50	220.70	243.70
Soybean meal, 50 percent protein, Atlanta 4/	Short ton	94.20	101.80	196.75	212.10	249.90

1/ This price applies to peanuts for edible uses. 2/ Beginning July 1971, quoted as 65% protein, East Coast. 3/ Beginning January 1972, quoted as 65% protein. 4/ 49 to 50% protein. N.A.--Not available.

Compiled from Chemical Marketing Reporter (formerly OPD Reporter), Wall Street Journal, Wash. edition, reports of the Statistical Reporting Services, and the Consumer Marketing Service.

Table 12.--Wholesale and retail prices per pound for fats and oils

Item	February		1972	1973	
	1971	1972	December	January	February
			-- Cents --		
Wholesale Prices					
Butter, creamery, Grade A, (92-score) bulk, New York	70.8	68.8	72.0	68.9	68.9
Butter, creamery, Grade A, (92-score) bulk, Chicago	69.8	67.8	70.5	67.7	67.7
Butter, creamery, Grade A, (92-score) prints, San Francisco	85.8	83.8	87.5	84.8	84.8
Castor oil, dehydrated, tanks, New York	27.0	29.0	31.5	31.5	48.2
Castor oil, No. 1, Brazilian, tanks, imported, New York	17.8	20.5	28.0	42.0	44.5
Coconut oil, crude, tank cars, Pacific Coast, 1/	14.5	9.9	9.6	9.9	13.1
Coconut oil, crude, tanks, f.o.b. New York	15.5	10.9	10.6	10.9	14.1
Coconut oil, refined, tanks, l.c.l., New York	17.5	11.7	12.3	12.8	15.5
Cod oil, spot, drums, New York	N.A.	N.A.	11.5	11.5	11.5
Codliver oil, medicinal, U.S.P., barrels, New York	21.5	22.8	22.8	23.7	23.7
Corn oil, crude, tank cars, f.o.b. Midwest mills	27.5	17.3	16.5	17.8	17.3
Corn oil, crude, tanks, New York	25.6	N.A.	N.A.	N.A.	N.A.
Corn oil, refined, tanks, New York	28.9	20.0	20.6	21.1	21.1
Cottonseed oil, crude, tank cars, f.o.b., S.E. mills	16.1	13.5	10.6	10.6	12.9
Cottonseed oil, crude, tank cars, f.o.b., Valley	16.0	12.2	10.6	11.0	13.9
Cottonseed oil, crude, tank cars, f.o.b., Texas	15.9	12.9	10.2	10.5	13.2
Cottonseed oil, refined, tanks, New York	20.2	16.5	14.8	15.2	17.6
Degras, Lanolin technical, drums, New York	40.0	53.0	53.0	52.0	52.0
Glycerine, synthetic, refined, 99.5%, tanks, delivered, New York	22.0	23.0	23.0	23.0	23.0
Glycerine, natural, refined, USP. 99%, tanks, delivered, New York	20.6	22.6	22.6	22.6	22.6
Grease, A white, tank cars, delivered Chicago	8.0	6.4	7.4	7.3	7.9
Grease, B white, delivered, Chicago	7.3	5.4	6.7	7.0	8.3
Grease, yellow, delivered, Chicago	7.0	5.2	6.5	6.6	7.4
Grease, white, choice, tanks, New York	8.2	6.0	7.5	7.5	8.4
Grease oil, extra No. 1, drums, Chicago 2/	13.4	15.2	15.2	15.2	15.2
Lard, loose, tank cars, Chicago	10.0	11.3	9.6	9.5	10.5
Lard, prime steam, tierces, Chicago	10.9	11.4	9.6	9.9	12.4
Lard, refined, one and two pound prints, Chicago	15.0	15.4	16.5	16.4	18.3
Lard, refined, carlots, 50-lb. tins, Chicago	13.0	N.A.	N.A.	N.A.	N.A.
Linseed oil, raw, tank cars, Minneapolis	9.5	8.8	9.5	9.5	9.5
Linseed oil, raw, tanks, New York	10.7	10.2	11.0	11.0	11.0
Margarine, colored, delivered, Eastern U.S.	30.6	31.5	31.3	31.3	31.3
Margarine, yellow, quarters, f.o.b., Chicago	20.8	23.8	21.8	21.8	24.0
Margarine, white, domestic vegetable, Chicago	19.5	22.5	21.0	21.0	23.1
Menhaden oil, crude, tanks, f.o.b., Baltimore	10.3	8.3	9.0	9.0	9.0
Menhaden oil, light pressed, tanks, New York	10.5	10.5	10.2	10.2	10.2
Oiticica oil, drums, f.o.b., New York	18.0	18.5	16.5	16.5	16.5
Oiticica oil, tanks, New York	16.0	16.5	14.5	14.5	14.5
Olive oil, imported, edible, drums, New York	39.3	42.7	42.7	42.7	42.7
Palm oil, clarified, drums, f.o.b., New York	16.0	14.8	15.0	15.0	15.0
Palm oil, clarified, tank wagons, f.o.b., New York	13.5	11.8	9.8	9.8	9.8
Peanut oil, crude, tank cars, f.o.b. S.E. mills	18.2	15.4	19.1	18.6	18.8
Peanut oil, refined, tanks, New York	21.1	19.0	22.3	22.1	21.7
Rapeseed oil, refined (denatured), tanks, New York	17.5	17.5	17.5	17.5	17.5
Safflower oil, tanks, New York	18.4	18.4	19.6	19.6	19.6
Safflower oil, edible, drums, New York	27.0	27.0	37.0	37.0	37.0
Sesame oil, refined, drums, New York	39.0	39.0	39.0	39.0	39.0
Shortening, all vegetable, hydrogenated, 440-lb. drums, New York	24.5	24.5	24.2	24.7	26.9
Shortening, all vegetable, hydrogenated, 3 lb. tins, delivered, Eastern U.S.	31.6	32.5	31.6	31.6	31.6
Soybean oil, crude tank cars, f.o.b., Decatur	12.1	11.0	9.7	10.1	13.0
Soybean oil, refined, tanks, New York	14.2	12.5	11.1	11.5	14.2
Soybean oil, clarified, tanks, New York	14.4	17.8	17.8	17.8	17.8
Sperm oil, natural 45°, drums, New York	28.0	28.0	28.0	28.0	28.0
Sperm oil, bleached, winter 45°, drums, New York	29.0	29.0	29.0	29.0	29.0
Tall oil, crude, tanks, works	3.8	3.8	4.2	4.2	4.2
Tall oil, refined, tanks, works	8.5	8.5	8.5	8.5	8.5
Tallow, edible, loose, Chicago	10.0	10.8	9.3	8.6	9.9
Tallow, inedible, packers' prime, c.a.f. delivered, Chicago	7.6	5.7	7.0	7.2	8.6
Tallow, inedible, bleachable fancy, delivered, Chicago	8.2	6.0	7.4	7.8	9.0
Tallow, No. 1, inedible, delivered, Chicago	7.0	5.3	6.6	6.9	8.1
Tallow, special, inedible, tanks, delivered, New York	7.7	5.6	6.4	6.5	6.7
Tung oil, imported, drums, f.o.b., New York	26.0	15.5	15.5	15.5	15.5
Tung oil, imported, tanks, New York	15.8	11.5	12.5	12.8	12.8
Tung oil, domestic, tanks, f.o.b. mills	3/24.0	N.A.	N.A.	N.A.	N.A.
Retail prices 4/					
Butter	87.8	87.5	87.2	87.4	87.4
Margarine	32.0	33.3	32.9	32.6	32.7
Shortening	31.7	32.9	31.7	32.1	32.2
Salad Dressing (Italian)	80.0	82.0	81.4	82.0	81.6
Peanut Butter	66.1	67.4	67.6	67.8	68.2
Cooking and Salad oils	40.9	43.8	42.2	41.9	41.9

1/ Includes 1 cent import duty.

2/ Beginning June 1971, quoted as lard oil, No. 1, New York.

3/ Nominal.

4/ Leading cities. N.A.--Not available.

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